

IAAPA NEW ORLEANS



November 18-21, 1977



**Proceedings
of the 59th Annual IAAPA Convention**

N O T I C E T O M E M B E R S

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C O N T E N T S

FOOD WORKSHOP

Friday, November 18, 1977

Page

Introductory Remarks - J. C. Evans, Chairman
Panel Discussion by the following:

Mike Bandera
Frank Silvani
Stanley Heim
Louis A. Cooper
Robert Newswanger

YOUNG EXECUTIVES WORKSHOP

Friday, November 18, 1977

Introductory Remarks - Paul Serff, Chairman 27
Address by Douglas C. Frechtling 28
Address by Perry Weed 36
Address by Hugh Irwin 43

WHAT'S NEW THEATRE

Friday, November 18, 1977'

Introductory Remarks - Errol McKoy, Chairman 49
"Roller Coasters--Present and Future"
Film presentation by Dennis Speigel 50
Film presentation by Richard Kinzel 52
Film presentation by Terry Van Gorder 54
Film presentation by Ray Williams 56

I.A.A.P.A. ANNUAL MEMBERSHIP MEETING

Opening Ceremonies - President Charles R. Wood 57
ANNUAL BUSINESS MEETING:
Report of the Convention Banquet Committee -
 Edward J. Carroll, Jr., Chairman 58
Report of the Trade Show Committee -
 Robert K. Bell, Sr., Chairman 58
Report of the Convention Program Committee -
 Truman Woodworth, Chairman 59
Report of the Treasurer - Roger J. Shaheen 59
Report of the Resolution Committee -
 Charles Canfield, Chairman 60
Report of the Nominating Committee -
 Roger J. Shaheen, Chairman 60
Film presentation of Wharton Study 61
Film presentation on the Association 64

MARKETING WORKSHOP

Friday, November 18, 1977

Introductory Remarks - Sandy Quinn, Chairman 69
Panel Discussion by the following:
 Dean Ayers
 C. Ray Canady

William Bieberbach
George Delanoy
Edward J. Carroll, Jr.

ENTERTAINMENT WORKSHOP

Friday, November 18, 1977

Introductory Remarks - Walter Heeney, Chairman	79
"Geauga Lake's 1977 Entertainment Package" - Gasper Lococo	79
"Sound and Light Equipment, The Whys and Wherefores" - Ed Johnson	80
"Entertainment--Do You Really Need It?" - Rae O'Day and Tom Frostig	82
"The Entertainment Mix at Opryland" - Robert Whittaker	84
"Maximizing the Use of In-House Live Talent" - William Robinson	86
Question and Answer Section	90

SAFETY-SECURITY WORKSHOP

Friday, November 18, 1977

Introductory Remarks - Richard Fussner, Chairman	91
Panel Discussion by the following:	
Ronald Dunn	
Richard Coulter	
Ronald Fussner	
Kenneth Kautz	
Question and Answer Section	104

LADIES WORKSHOP

Saturday, November 19, 1977

Introductory Remarks, Margaret Nelson, Chairman	113
Report of Discussion - Barbara Knoebel	114
Report of Discussion - Helen Spackman	115
Report of Discussion - Marylee Smith	116
Report of Discussion - Marianne Stevens	118
Report of Discussion - Thelma Dick	119
Report of Discussion - Jeanne Butchart	120
Report of Discussion - Jean Harries	122
Report of Discussion - Rhoda Krasner	123
Report of Discussion - Jilda Patten	124
Report of Discussion - Linda High	126
Report of Discussion - Ruth Davis	127

RIDE OPERATORS AND THEMED ATTRACTIONS WORKSHOP

PART I

Sunday, November 20, 1977

Introductory Remarks - James Bouy, Chairman	129
Panel Discussion by the Following:	
Mel Bilbo	
Al Weber	
Lamar Parker	
Pat Cartwright	

Dick Kinzel
Bob Payne
Fred Peacock
Keith Sanders

RIDE OPERATORS AND THEMED ATTRACTIONS WORKSHOP

PART II

Sunday, November 20, 1977

Introductory Remarks - Lee Derrough, Chairman	155
Panel Discussion by the following:	
Truman Woodworth	
Dennis Speigel	
Bill Crandall	
Julio Pierpaoli	
Rick Faber	

BANQUET AND BALL

Sunday, November 20, 1977

Call to Order - Edward J. Carroll, Jr., Chairman	186
Business Meeting:	
Introduction of 1977 Executive Committee	186
Presentation of Service Awards	186
Introduction of 1978 President & Executive Comm.	186
Presentation of Immediate Past President's Award	186
Exhibit Awards	187

INTERNATIONAL ASSOCIATION OF AMUSEMENT PARKS

AND ATTRACTIONS

59th ANNUAL CONVENTION

FOOD WORKSHOP

FRIDAY, NOVEMBER 18, 1977

LA GALERIE I AND II

The Food Workshop convened at 9:30 a.m., Mr. J. C. Evans, Gold Medal Products, Cincinnati, OH, presiding.

CHAIRMAN J. C. EVANS: Good morning ladies and gentlemen, and welcome to the third annual Fun Food type Food Workshop and the IAAPA convention. Basically this is nothing more than an update and repeat of the type of thing we did last year and the year before except for one thing; last year the program was judged to be one of the best of the convention.

I want to introduce our esteemed panel.

Bob Newswanger, Dutch Wonderland in Lancaster, Pennsylvania. He is new to the panel and attended our autumn Funspot in Cincinnati.

Mike Bandera, present profession with Bandera Associates in New Jersey, has been a Vice President of Great Adventure in Jackson, and has had 14 years experience in park operations food and beverage management at the executive and vice presidential level.

He is looking to get back into the industry. Resumes are printed up in duplicate.

The next is Frank Silvani, director of Food and Beverages at the New Americana, Great American Amusement Park in Middletown.

And there is Louis Cooper, Director of Food and Beverages at Libertyland in Memphis.

The next is Stan Heim, Director of Food and Beverages at Santa Claus Land in Santa Claus, Indiana.

Fortunately all of these people have sat in on the two-day seminar held in Cincinnati, and most were repeaters again this year.

Always talk about the blind archer who can no longer hit the target because he can't see it; how many of you can't hit your target because you haven't set your goals?

We have furnished everybody with a set of questions. Try to take some notes. This is a workshop, we want everybody to be involved.

Generally we are going to try to get twenty of the subjects which you asked for.

Maybe we will have a synopsis. Maybe a personal opinion to override the consensus. There will be another two-day Funspot

Food Seminar again the middle of the coming autumn. It will be Thursday and Friday, October 5th and 6th.

The location will be in Riverview, Covington, Kentucky. It will be in the Cincinnati area.

One of the problems everybody seems to have is -- my people work harder than the people in the other departments in my park.

How do I get a wage differential to enable me to attract and hold within the framework of the general living practices within the park?

How many in the audience pay more money on the average to the stand worker than to the general employees in the park?

MR. SILVANI: If you break it down per hour, I would say the food personnel are getting more than the ride operators, more than the people who work at the concession stands.

Unfortunately, I feel we abuse our personnel. I am going to be very honest with you; I am not ashamed, nor is Mrs. Berni. We ask our key personnel to work over, keep them long, long hours, especially on extremely busy days.

We kind of offset this by giving them maybe a slow afternoon. We tell them well, don't come in until 5:00. Like the brainstorm you had in Cincinnati; give them a Saturday off. I feel we are giving the food personnel a little more than what we are giving the rest of the personnel. We demand more from the food personnel.

I think I am a little bit partial, but I feel that the food personnel are the major instrument of any amusement park or any fun food place that you have.

The better you have them trained, the better the people are going to be served. The better the people are served, the happier they are.

CHAIRMAN EVANS: Is there anybody else on the panel who may be thinking about finding a way to take the person who must have the skills with the public as well as the operating skills on the machinery and the technical knowledge with the formulas you need the added dimensions.

Apparently none in the audience is paying more.

Mention your name and park.

MR. KARAS: Six Flags Over Texas, and the reason I didn't raise my hand is next year we are going to be paying the differential for the first time. Across the board we felt such a severe shortage in personnel this last summer it has drastically affected our revenue production. With the revenue production we had to put the money into their wages.

CHAIRMAN EVANS: The type person you attract is generally speaking built into the framework of the personality. It means how long they are going to stay.

If you are worried about the sub minimum type of person, you

are going to get what you pay for. If you can get a better type of person, you have a way to retain them.

MR. HEIM: We have got high school kids in the area which were the main source of my employment this year. We don't have an employment problem. I would like to add I feel food and beverage people expend more energy during the day than ride personnel.

They are constantly on the move from the time they come in on a busy day until they leave.

CHAIRMAN EVANS: If you are lucky, you have got a pool of employees. Somehow or another we have never taken time to put a price on the training.

MR. CONVANS: My name is Rick Convans, Scott Plains, New Jersey. We have a tiny park, about 12 acres. We hire between 65 to 70 in the summertime, May, June, July, August and the beginning of September.

I feel there is a rate hike for the ones in the snackbar and the other facilities, but also it depends on the kind of parks that you have.

We have a pizza hut where we sell pizza, pretzels, hot dogs, hamburgers, French fries and such.

We have three major rides, and six kiddie rides. We have indoor and outdoor miniature golf course and baseball batting.

We hire college kids who come back year after year. We started with the four-year college. If they come back, we give them a higher wage. If we feel we can leave them alone in one area and supervise, normally they would start at the normal salary.

CHAIRMAN EVANS: When you are able to pull together college kids and keep them for the entire four years, first you have someone who has had the intelligence to get into college, and it does give you a leg up on the competition.

But problem one is related to problem two; one of the persons who I think was most vocal about the two, was Mike Mason from Worlds of Fun in a big city.

I think he feels that in the food service industry as soon as you teach a kid how to work a grill or drinks, he says, "Man, I'm pretty good, and I could probably get a job in a gourmet four star restaurant."

They go to McDonald's, and the problem of retaining people year after year will vary from area to area.

Do you have a comment on how to retain people? You have more turnover because of the competitive situation in New Jersey.

MR. BANDERA: None of the parks I have been associated with have had trouble in losing them to the chain restaurants. We lose more people to industry and construction than we do to the restaurant chains.

Maybe some of the other people have had a different experi-

ence.

MR. WOLF: Grant Wolf, Seabreeze Park. For three years we had an executive type manager.

He would drink coffee and tell them what to do. We changed managers to a younger fellow, a senior in college. We said you will work right along with them. We made another system manager up from the ranks.

We found as far as retention, we have lost only two people since we changed the policy as far as the manager working right with them and hanging on to them.

Another thing, we have a training program with a couple of the handicapped agencies, and mental retardation, and the association for the blind which has federal money available to train people in food service.

We heard about the program and they give us people, and we don't have to pay the wages if we train them in food services.

They come into the park six weeks and are evaluated weekly. Some of the colleges give credit for food service experience. We give them to the fancy restaurants, especially the cooks, because they handle everything.

CHAIRMAN EVANS: How many people have vocational high schools in their communities? Generally I would say at least 50% do. Most will have a culinary art curriculum; it might be some way to work on these.

I think we will lead into number three, motivating employees to be interested in their job. You know a stand manager is not a life's career objective. It isn't unless they can steal a lot.

We will talk about that later. The net effect of bringing people into the industry, the food and beverage side of it, specifically may lead up to general park management.

For every thousand only one will be an assistant manager or a mid-week manager for a specific area, but the food service chains have an insatiable desire for people.

If you have gone to any of the fast food restaurants, they are hurting for pretty good ones themselves.

In central Pennsylvania, Bob, in terms of losing people out of food service or attracting people, do you have plants to take care of the food people working for your food and beverage, the unit manager and the stand manager, have you tried it?

MR. NEWSWANGER: The best way I have found to retain my employees -- I am a small enough operation that personal contact seems to work the best for me.

We don't employ such large amounts of people that I don't know everyone on my staff personally.

I found if you show a little personal interest in teenager's lives, that the response is better.

CHAIRMAN EVANS: Yesterday morning I happened to be on a program with swimming pool parks.

One of the persons on the program was a man with a Dale Carnegie southern manager. They were talking about the supermarket and the tremendous esprit de corps in all of the levels of management when the president and the chairman of the board of the company are in the store.

If a chain that big can be personally interested, sometimes that kind of an eyeball to eyeball contact can last ten or fifteen years.

What comments would you like to generate on topic three here?

MR. COOPER: Most of the younger teenagers who are working in the summer months enjoy having a compliment. You see a kid doing a good job; try to compliment him.

Also it is good to constantly review why they are there, what the problem is when a guest comes up to the particular unit, and they have to greet them bubbling over with enthusiasm.

Try to instill a pride in whatever they do, whether it is picking up the trash off the table or making a big steak or hamburger.

When the guests report as they leave or a letter that comes through the mail, when it is complimentary to the department, we try to put it in an area where everyone sees it and gets the benefit of it.

It makes them feel better when someone has taken the time to say you did a good job, thanks.

CHAIRMAN EVANS: Mike, do you want to add something?

MR. BANDERA: Last year or the year before at Great Adventure we had a tremendous turnover problem. During the winter we tried to come up with a whole program turnover and increased interest in this type of thing. We did reduce the turnover, although we did not solve all of the problems. We were practicing all of the basic managerial things, recognition for doing a good job, close supervision and this type of thing.

We were still having a tremendous turnover. Got back in and went to the personnel department and looked at the programs and improved the interviews and so on.

We did not want the people who didn't want to be there. We tried to screen them out and not bring them in to begin with. It is not easy but we went into the orientation program and spent a lot of time with employees going into food service talking about the number of hours, talking about the department and what they are going to be doing, communicating.

We improved the training program at the sales location, so they got in and learned what they were going to be doing, so they would not be scared and confused.

Then we built a two hundred and ten thousand dollar employee dining area with a fair price and arcade machines and pool table.

We had a place for them to get out of the park and take a break and get away from the guests for a while.

We went into programs like intermural football, softball, volleyball, trying to get everybody active.

We had parties monthly, and went into incentive programs with a standard performance contest. As their sales locations excelled, the first, second and third in the department for the accounting period each got one day's pay.

The Assistant Manager got two days pay and the Manager got three days pay if they won the contest.

In addition they unionized and signed a new contract. That made them happy. Money wasn't the secret. It had to be communication. The training incentive program and an overall program cost us a lot of money, but we did reduce the turnover.

We still had shortage problems but not as bad as the previous year.

CHAIRMAN EVANS: You said your standard performance of evaluation, in a four-week period you measure standard performance. In a small park you maybe only have one stand.

In a way you can take the performance of one stand and relate it to sales per capita or maybe come up with a profit.

How many have heard the phrase sell the sizzle, not the steaks. Elmer Wheeler came up with the phrase.

One of the other things Elmer said, and I think I repeated it last year, I try not to forget is, make them a part of the act.

If you can make your people part of the act to know the performance, you don't motivate people, you create an environment in which people motivate themselves.

You want to create the environment or atmosphere where people can self motivate.

But anyhow the thing I am driving at, the standard performance, I am not going to ask you to hold your hands up. I know you don't keep track of per capita sales. There are people who probably keep track loosely and are in the thirty or forty cents per capita. There are others in the three dollars per capita range.

On an accounting basis if you had only one stand, take the time to figure out what business you are going to give an incentive bonus for. Let the people know how they are doing. They want to know how they are doing.

Here you are dealing with an exact dollar and cents figure. You have got a turnstyle clerk. Almost all have the ability to generate this type of data.

If you keep it a dark secret, you are not using it for the best benefit. Gee, you are doing great, the best job we have had in a stand. Gee, what did you do differently? He smiled all week long.

Get everybody to smile. People who work are happier.

I think the high schools and the colleges are excellent sources for qualified employees. When you get into the stand manager level, I think your idea from Rochester is let it be well known you promote from within.

Let them know when you hire them that you promote from within. What happens when you don't have an opening; do you go to the local teacher's association? Small parks, you don't have somebody you can promote; do you advertise in the paper for stand managers?

If you have a large park, it is no problem. In a small park what do you do to get a manager?

MR. NEWSWANGER: Actually all my stand managers come from within my employees.

CHAIRMAN EVANS: I think everybody does have this problem in cashiers. It may relate to number one, the continuity of cashier training the latter part of the season.

Sometimes you have problems with cashiers who keep coming and coming and coming and leaving and leaving and leaving. You hate to be sitting there with the cash and the gross profit and you are not able to think of it.

MR. SILVANI: There is only one phase in our operation where we have a cashier permanently. It is in the cafeteria. It wouldn't apply to me.

CHAIRMAN EVANS: Stan, how about you?

MR. HEIM: Fortunately we didn't have a large turnover. I haven't had that much of a problem. I have enough veteran people hanging on.

CHAIRMAN EVANS: One of the things I was hoping someone would say is we have got to get the cashier training to an exact science to employ somebody in cash register handling. I am sure everybody at your park handles cash. How is yours; is it the same situation?

MR. COOPER: Not necessarily so. You would be surprised how many of the high school seniors and college freshman can't add two and two. We try to set up a cashier training program at the beginning of the season; get the supervisors to assist new personnel in the procedures.

We have been able to gain some ground by utilizing the school programs that have the cafeteria and lunchroom managers and the occupational schools.

And in the occupational or vocational schools with the program they have the cashier training within their curriculum, that is one source, but we have a definite problem.

CHAIRMAN EVANS: Mike said they have a continuing program.

MR. BANDERA: We had a problem at Great Adventure with cashiers. Again we had to keep the program and develop one for that. We

set up a cashier supervisor and had two managers working under her.

Her job was to interview each individual person who was going to operate a cash register. We actually developed a test and tested each person and found out if he was mathematically inclined or whatever.

We came up with the right people to put on the cash register to begin with and spent hours in training the people and working with them with on-the-job training and this type of thing.

We spent the time and let them know that we cared and let the cashiers know there was somebody watching and supervising them. We still had some shortages at the end of the year. But we have been able to make headway and reduce the shortage problem.

CHAIRMAN EVANS: I am sure someone else is wondering how much more does the cash register person get than a beverage worker?

MR. BANDERA: I would say nothing.

CHAIRMAN EVANS: Maybe they would be entitled to a little more. Terry, do your cash handlers get a little more?

TERRY: Yes. We have developed a program whereby every year they come back they can depend on X amount of fifteen to twenty-five cents an hour more. They are elevated. Once they become qualified, they can come up with qualified rules to say I am a good cashier versus a bad cashier.

If they have been a cashier three years, they could be making more than the assistant in the stands because three years as a cashier they are more valuable than brand new assistant managers.

CHAIRMAN EVANS: I hope you come back to the Funspot Food thing the 5th and 6th of October.

You had a question, Ted, Trader's Village, the questions are related--the in-line one single cashier operation and what about the counters where every girl is a cashier?

Comment is that everybody has to have the type of training. Do you want to respond?

MR. SILVANI: I will take any of the personnel we hire for the food stands and I will spend as long as it takes until he learns or she learns to make change. I think we are too strict on this. We try to teach the importance of building up change.

But we will spend as long as we feel is needed, and if the person is not ready to go to work on the cash register, we don't put them in the food stands.

We have a training program. We have one room in the back where we have three types of cash registers.

We have one person on each cash register. We teach them and give them prices and tell them how to ring it up.

When we feel they are ready, we take them to the stand and make them wait on a person. We will watch and tell them that we

are watching them.

After they see they have been watched and worked fine, then we will have someone else in the stand watch to see that they make the change right. Maybe later we won't watch when they are counting out the change.

We make sure every customer gets treated with "Good morning, may I serve you, thank you, have a nice day at Americana." This is very important to us.

We do spend a lot of time in training all of our personnel.

In our food and ice cream stands where there is food everyone runs the cash registers. We are talking about going into another operation where we have one cashier and maybe expediting the sales of something. I think you will lose a lot from this.

I feel if a girl waits on a customer, she should carry right on through. I think you can get better personnel and train your personnel better.

We find in the training period the time we spend with the people to teach them helps them, and I think they watch and are more accurate in making out the change. When they get a five-dollar-bill, we make them lay it out and put it in the cash register and go back.

CHAIRMAN EVANS: Do you have a written procedure on the change handling or change making policy and so forth? If you don't have it in writing, you can't blame them.

Bob Newswanger had a comment.

MR. NEWSWANGER: I think in reference to your cash register, I am a strong believer in motivation. In my stand operations throughout the park, I keep my employee at the same location year round.

I more or less establish teamwork amongst those in a particular stand.

I am not afraid to let the employees know if the register is short.

CHAIRMAN EVANS: Bob, how many locations do you have not counting the mobile unit?

MR. NEWSWANGER: Four permanent locations. I have a stand manager that knows my policy of how short or long I will allow the register before I put a new roof on the building.

CHAIRMAN EVANS: You don't tell the people in the stand we will allow you to be short. I found if you have a shortage or a short day motivating it as a team, just mentioning in the morning that the register was a little short last evening, you would be surprised how accurate it comes out the next couple of days.

You are taking the time to check. You say I don't have time to keep track. If you don't keep track, anything they are stealing is net loss. Therefore it is a fact it is worth a lot of your attention to pay attention to it.

One thing we try to print up is an analysis of the problems that seem to be facing our customers.

Each year we print ten thousand copies of a book on how to make money with snacks.

Very few people have taken the time to reduce to writing in smaller fun spots operations. We do have two pages in the book. Overall the book is 28 pages and it is new. It is the 1977 edition.

If you would like copies on how to make money on snacks, come up and leave me a card. Give me a note. I think there was one question in the back.

MR. SNYDER: Len Snyder, I have a question for your panel. We have toyed with the idea in 1978 of putting all our cashiers not only in the food part but for the whole park into the pool. We would draw from the pool regardless of the location.

In other words, our managers would have no control over the cashiers. I would like to know what your panel thinks?

CHAIRMAN EVANS: How many cash registers do you have?

MR. SNYDER: Fifty or sixty.

CHAIRMAN EVANS: Fifty or sixty cash registers. The question, panel, is what about when your fifty or sixty cashiers how about putting them into a pool?

The idea of assigning for a day at a time or a week at a time. What does the panel think about rotating cashiers from not knowing Monday morning where they are going to work, or if you put the work schedule out Wednesday or Thursday, the work schedule says when and where you are going to work. What do you think of the idea, Mike?

MR. BANDERA: We did a version of that last year. It worked really well. We had more success with that than we did with the cashiers reporting directly to the stand managers.

We had a cashier supervisor and a couple of cashier managers. They did all of the scheduling of the cashiers and actually wrote the cashiers in on a line schedule of a particular sales location.

When the cashier needed to change the schedule or whatever, they came back to the central cashier supervisor and this type of thing. It improved the situation.

CHAIRMAN EVANS: How many people have a cashier supervisor? How do you think it would work? Could you try it at Libertyland?

MR. COOPER: I don't believe it would work in our particular situation. We have the various units, but we have only three of ours fixed operations so, therefore, the utilization of personnel at the existing locations would have to be able to pretty well do anything at any given location.

We do use relief cashiers. They are versed in just about every phase of the operation and can make cotton candy or cook a hot dog or hamburger as well as relieve the existing personnel

for their breaks.

I believe the type of operation you are speaking of depends on the number of people that were assigned to a particular location.

If you only had one or two person-type operations, I think it would not be practical. However, on the larger sitdown restaurants or whatever type of operation it is they possibly could work out real well.

Most of our locations that have the registers I would assume that they are the larger type operations rather than a grab stand or something.

CHAIRMAN EVANS: Is the basic rationale for trying to go to this non permanent basis or rotational one to try to cut pilferage and eliminate collusion?

MR. SNYDER: I think we are unique. We do corporate picnics with twenty thousand people. We have live entertainment where we had two or three thousand people. There is such a wide variety.

CHAIRMAN EVANS: Maybe the thing is to prevent collusion and try to cut your pilferage. I am sure it would be a benefit but it may not be the only way to attack that program.

Since we are reasonably oriented I think we should get into some of the things nearest and dearest to our hearts on ways to talk about selling.

MR. MORENY: Tom Moreny in Kiddieland, Melrose Park. I would be interested to know how some of the parks with the over the counter food service, of food procedures where there is a cashier, how they handle the overages and shortages?

MR. NEWSWANGER: Are you speaking of a situation where the register comes out short daily?

MR. MORENY: When you have got ten stand employees and you cannot point the finger at one person, you can't say you were short because there are ten people working four registers.

MR. NEWSWANGER: That happens to be the situation you have and I have. All my personnel run the registers.

If I have suspicion that someone has sticky fingers or does not follow the proper procedures on the register, I would stick that particular individual on a brand new register in a morning for a certain period of time.

I would pull that drawer and substitute another drawer and ring the register. I would check the register specifically on that person.

MR. MORENY: It is not that controlled where you can just check one person. You would have to assign an individual person to a window. We have four separate windows with three people in each window.

MR. SILVANI: How many cash registers?

MR. MORENY: Three

MR. SILVANI: These two work this or that; that's the way we work it. We have fine cash registers. Say they need a snowball, have to walk to the other end of the stand.

When they come back, they have to come back to the whole register. We watch the personnel.

You are going to have take-home pay and such benefits but you have to watch it. I think it comes out.

Another thing that you will find, if other employees know somebody is knocking down the register, they are diplomatic and get around to telling you "we think such and such", and you start putting your eye on that person.

We follow the same procedure. We have four or five people working in a stand. I feel they all feel responsible.

If there is any knocking down, they are going to come to you.

MR. NEWSWANGER: They will correct it themselves. If your register is short, I found in my operation -- I don't go to the stand manager. I get the whole crew together.

CHAIRMAN EVANS: Then you try to narrow the responsibility; if they have got somebody in there that is suspected, they will get to you.

MR. MORENY: What about more on the careless type?

CHAIRMAN EVANS: If you think some of the shortages are based on pure carelessness, I think I would reevaluate my cashier training and retraining and in between if you have any shop lifting, you have been there a long time, maybe it is time to look at the training manual you are using and the whole procedure.

Who is in charge of your cash register training? If you don't have time to do, this is one of the things I have got to implement. I need a stronger cash register training.

MAN IN AUDIENCE: I am from Youngstown. You are talking about loss. What percentage of your gross excluding restaurants and cafeterias is your salary wages?

CHAIRMAN EVANS: What percentage of sales would be labor, 17%?

MR. SILVANI: I think it is. We broke it down. I am trying to gather a figure whether it was 16-1/2 is what my percentage was in one stand, and I had one at 17. You get fluctuation.

CHAIRMAN EVANS: Eliminating the regular or the sit down restaurant or the kitchen and so forth, I think you have one factor; are your prices too high? I think when you are going over 20%, you had better start looking for the way you are accounting for it.

Is it reasonable, Mike?

MR. BANDERA: At Great Adventure the fast food or concession operation ran about 18%, and the restaurant and so on ran about 25,

but we were on union scale.

CHAIRMAN EVANS: Is that about what you are running?

MAN IN AUDIENCE: Yes.

MR. BOUCHARD: I have a question that relates back to the shortage and overage. What do people do in our other parks when you have got a specific operator that you suspect but who comes out even when she is working alone and always comes out with a differential when she is working with other people?

How does anybody else work with it? Do you fire the person instantly? Do you take a shortage out of their check or how do you do it?

MR. TERRY: Bob Terry, Toronto, I usually send one of my own kids or friends of the kids in to work with that particular person, someone that I know has the experience and that I can fully trust.

If they are still out, I can't accuse the person because I can't prove it. I may try a marked bill.

Usually I have found some other reason to get rid of them after that. For almost anything you can make up to get rid of them.

MR. WALL: Paul Wall, we have 14 registers. We went from tickets to cash years ago. We operated the cash registers the same way as the games. We have a master sheet with 31 days in the master sheet.

Each has the number at the top. The food manager reads the register. Secretary matches the money and the third person does the balance. You have three people checking every day.

If any register is over or under two dollars, she circles it. Each day was on the register, maybe three work the register, maybe two.

All of a sudden the food manager can see a pattern in round circles of whose working on the register. They can see who skimmed the registers just like the game registers.

Have a few people go around, and you have got somebody new and hitting you right away. You can see it.

Register one is supposed to do one hundred dollars and all of a sudden it is only fifty. Something is wrong, but the register in checking, you would be surprised how we find whatever cheaters work certain areas where one is short.

Every week I get a report and look at a circle and try to corroborate it. It doesn't take too much time.

CHAIRMAN EVANS: You know there is something along the same line. If people know what is expected of them it might have a good benefit of productivity. If they are consistently doing a good job, that way they know how well they are doing.

There is a lawyer's convention in town. We hit the lawyers pretty good last night. I think you should do serious checking

before you summarily fire a person. They almost have to be caught in the act.

MAN IN AUDIENCE: We have found that usually if you find a person suspicious, take everybody out of the drawer but the one person.

CHAIRMAN EVANS: Let's get on to the next subject where we will talk about cold drinks and the importance thereof. How many people have sold 46 ounce cold drinks?

MR. MASON: Mike Mason, at Kansas City Worlds of Fun. Last October I had been doing it with some degree of success.

CHAIRMAN EVANS: How many tried 32 ounce cold drinks? What success did you have with 32 ounce cold drinks?

MAN IN AUDIENCE: It went over very good.

CHAIRMAN EVANS: What other size drinks do you sell at your park?

MAN IN AUDIENCE: Eight and twelve ounce.

CHAIRMAN EVANS: What price for a thirty-two ounce?

MAN IN AUDIENCE: Fifty cents.

CHAIRMAN EVANS: Are you sure it is 32 ounces? How many sell a 32 ounce for a buck?

MAN IN AUDIENCE: Continental milk container thirty-two ounces.

CHAIRMAN EVANS: How much ice do you put in it, 32 ounces of ice, about a fourth full of ice? Crushed or cracked ice?

MANY IN AUDIENCE: Cracked ice.

CHAIRMAN EVANS: I think you ought to use cubes because your drink will taste better. Do you have a measure on cents per capita?

MAN IN AUDIENCE: It varies from area to area.

CHAIRMAN EVANS: Who has the per capita figure on the impact of the 32 ounce cup of soda pop?

MAN IN AUDIENCE: We used to sell 32 ounce and got out of it because it would get flat and the cup would start getting soggy.

For every 32 ounce beer I sold ten 16 ounces, and it went over real good. I didn't have too many people getting drunk. They were always walking around and were not sitting down.

CHAIRMAN EVANS: In terms of the 32 ounce cup of Coke or Pepsi, does anybody find that they are leaving the containers half full of product and people saying it's no good. I don't think it has been a complaint. I have a son that can take a quart of milk and drink it down. He can drink soda pop warm. And drink the whole damn thing of pop, and they don't get ice. I'm sure you don't have 26 ounces of product.

MAN IN AUDIENCE: We charge 90¢. We charge 50 for the 16 ounce, and the 16 ounce sales went way up. We used to have 15 and 30. Now the girl takes the 50¢ size, the biggest. We do sell quite

a few of the 90¢ ones but the 50¢ sales went way up.

CHAIRMAN EVANS: I think Mike Mason sold 32 ounces for a dollar. You are talking 32 ounces for a dollar, just about three cents an ounce.

If you are going to three and a half cents per ounce for the 16 ounce size like fifty cents, this is the thing the Coca Cola people have a nice presentation on.

Is there anybody here who still sells the eight ounce cup?

I think the eight and seven ounce cup is out of place in the economy. You might as well give them a bigger sale, but an eight ounce cup has only got two swallows.

People I think in the hot weather want more than two swallows. Who has a 16 ounce that is the smallest size?

I think you are seeing more of the floor on the smallest size. You can't buy a six ounce soda pop in a can. Twelve ounce is somewhere where it starts.

They have a larger can of beer, twenty ounces and up to thirty some ounces which are huge servings.

Sixty-four ounce tub of beer --

MAN IN AUDIENCE: Yes, and forty-six ounce Cokes, \$1.35 for a forty-six ounce Coke.

CHAIRMAN EVANS: You have got to get rid of the eight ounce cup. It makes it worth while to get a larger size.

A person gets three or four swallows out of a cup. How many feet or yards before they walk to another location to buy another cold drink?

Remember, these are impulse snacks. If you can't impulse, you have a problem.

MR. BANDERA: It really is on the size of the drinks. In the parks I have been associated with which are basically Six Flags over Texas and Great Adventure, in a moderate climate in New Jersey, I found as we increased the size of the drink the sales of the overall per capita spending went right up with it.

CHAIRMAN EVANS: One thing you do, you can tell me how many cents per capita you did in each of the products. It doesn't matter in the pocket calculators where you have a floating decimal point. Figure it out to see how well you are doing.

Actually it is a good exercise to focus on. Here is my 32 ounce cup; do I have a cents per capita on the super large?

MR. BANDERA: Great Adventure sold 14 and 20's, for forty and fifty-five. At one time we had a 9 ounce.

CHAIRMAN EVANS: The 20 ounce went to 50¢; that's a bargain price. Last year we picked on Mike about the prices they were charging.

Who has some other additional innovative ideas? We are talk-

ing about having at least two, preferably three, sizes of soda pop. We are talking about eliminating the bottom size, and have the price per ounce, maybe 90¢ is a better price for the 32 ounce.

MAN IN AUDIENCE: One of your employees suggested we bring one ice cream cup back.

CHAIRMAN EVANS: 32 ounce size, one of the employees said serve root beer floats in a 32 ounce size and they went over big. How much do you get for the root beer float?

MAN IN AUDIENCE: 32 ounce size we get 68¢ and a buck and a dime if you get a scoop of ice cream.

CHAIRMAN EVANS: Where did you say you were from?

MAN IN AUDIENCE: Rochester.

CHAIRMAN EVANS: That is a great idea. Who else has an innovative idea?

MAN IN AUDIENCE: Three sizes, big high school jogger will always get the super, the junior is the middle one, and he will never buy that if he is with his date. He will never ask for a junior size. He will ask for the super size.

CHAIRMAN EVANS: Henry, what kind of new ideas have you found at the Coca Cola Company to help people merchandise their products?

HENRY: We are going to concentrate on value price. We have got 32 ounces pretty well established and possibly go into a larger size.

The increase we realized last year was unbelievable. I think our people are doing such a good job and selling value pricing. As you go higher, the customer can realize when he looks at your menu board quickly which is the best bargain.

You will be seeing our signs with arrows pointing to this is the best bargain. Give a few cents break on the larger size.

CHAIRMAN EVANS: I think value pricing is the real plus. You don't just use the phrase regular or large and super and then super star; you put what size container you are using.

Then they can figure it out.

HENRY: Another thing is to have a combination price. We found it had a greater sales effect.

MR. BANDERA: I think you would be pleasantly surprised at the cents per capita increase you will get in 1978 when you add the super large item, you will see your highest cents per capita will rise greatly and the unit on top item will be resulting in measurable cents per capita on the beverages.

CHAIRMAN EVANS: Are there any other innovations on drink merchandising?

MAN IN AUDIENCE: Are we eliminating customers with only having a 60¢ drink instead of a quarter?

CHAIRMAN EVANS: I think it is right. Are we eliminating some

sales by starting at 60¢ bottom price?

Yes, I think you do eliminate some potential sales by starting too high. Where would be a good place to start? Anybody here have 35¢ as the less expensive drink?

MAN IN AUDIENCE: We have a small thing we just started the past year, 35¢ is the minimum size for a 12 ounce.

CHAIRMAN EVANS: You are talking about three cents per ounce. I think people try to get three and a half which is 10 ounces for 35¢.

MAN IN AUDIENCE: What I meant is if you went to a park we are talking, say five bucks for Cokes for the kids. Does someone say I am not going because I don't want to bring the kids and not have the money to get them drinks.

CHAIRMAN EVANS: You don't get something for nothing. If you start at 35¢, you are not going to spend five bucks for the kids. You talk about an admission. What was it at Great Adventure?

MR. BANDERA: \$11.50 combination.

CHAIRMAN EVANS: Somewhere along the line I mentioned we have got a two hundred thousand dollar ride and it is nothing to pay a million dollars for the super gigantic type ride. You have got to advertise the investment. People come into your park, they have got to be relatively affluent just to afford the price of admission.

You can't be running a charity. I am not trying to say I am cold and unrealistic. There are family amusement parks where you don't have 14 or 20 major rides, but when you are getting up to ten thousand for an override capacity, you have got to get the run on your investment.

You are not going to do it with 25¢ drinks and 50¢ hot dogs. You position your image with the market you are trying to serve.

You have got to filter through your funnel and relate to your park.

MAN IN AUDIENCE: You are right on the construction of the whole situation. If we haven't got guts enough to charge for what it is worth, we should get out of the business and go to work for the post office.

CHAIRMAN EVANS: You tell it like it is and it is right. The point is you have got pressure from the public parks and the public recreation. If they want the cheapest, they can go and ride the cheapest in the park and go to the city swimming pool.

You have got to cater to the segment of population that can give you the return on your investment that you as a smart businessman must generate.

You are not going to do it by being all things to all people.

You can't worry about the guy not spending money, the guy who can afford to come to your park who has a salary of fifteen thousand, and a wife working making nine and twenty-five thousand in

family income; they can afford to come to your park and spend fifty bucks a day.

MR. OTT: I know I may be redundant, but we were talking about ice in the drinks.

I would like to find out where they buy their ice, whether they make it one specific place and distribute it to the different outputs or have ice making machines.

CHAIRMAN EVANS: Everybody here I hope uses ice in their drinks. Secondly as you go to larger sizes, I hope you use cubes in your drinks.

MAN IN AUDIENCE: Why? I don't think you are right.

CHAIRMAN EVANS: You can run a little thinner syrup mix because it is too watered down. If it is lousy quality, because it is quickly watered down, if you give them a good beverage, you serve it good and it is good from the top to the bottom. How many people have ice cubers at virtually every location?

How many people have crushed ice makers virtually every place where you draw drinks? High volume location can't make them fast enough.

You use cubes or crushed --

MR. COOPER: We use both. At the fixed locations most have the flake machines. Some have the cube machines. The cubes are primarily set up at many of the central locations and transported to the smaller locations or popcorn stands, wherever they need ice.

We are trying to develop a system this year to increase our capacity. Somebody asked whether we bought ice. We do buy ice. We are trying to improve our capacity maybe with the possibility of adding a larger volume-type cube maker and transporting the ice in wheel carts on two wheels to the various locations to lower the labor cost involved as far as getting the ice to the units and still having the same type of operation.

CHAIRMAN EVANS: At one time which was two or three years ago if you were serving twenty thousand cups of soda pop averaging 12 ounce containers, I think it came in a hundred season, you could afford to buy a twelve hundred dollar ice maker per year.

Does anybody here sell an ice maker? Ice maker salesmen say it is going to cost you twelve hundred bucks.

If you don't buy it next year, it is going to cost you twenty-four hundred bucks. That is how much it is going to cost you not to have it.

I think it becomes tailored to your situation. You have got to have the ice. Since you have got to have it, it is up to you to figure out how you get it.

It doesn't save you money to make it right there. Does anyone have a rule of thumb on use of ice purchased or making your own?

I am not talking about individual units on the stand, I am

talking about a centralized ice plant. Does anybody have a super large centralized ice plant?

If so, do you save money with that as opposed to having it in each stand manufacturing ice?

MAN IN AUDIENCE: We have forty thousand pounds of ice a week.

CHAIRMAN EVANS: You can manufacture ice and you had forty thousand pounds a week ice plant, and you can manufacture a bag for \$1.10 a bag, a fifty pound bag? He can buy it for \$2.75 a bag. What did the ice plant cost?

MAN IN AUDIENCE: It cost ten thousand a piece.

CHAIRMAN EVANS: You have got a thirty thousand dollar investment plus the structure which probably cost more than thirty thousand. You have got to use a lot of ice. What is the life expectancy of the equipment?

MAN IN AUDIENCE: About four years. We expect it to be over four years.

CHAIRMAN EVANS: Only eight years on it.

MAN IN AUDIENCE: We have had it four years and we expect another four years. I know the situation real well. I was wondering if someone had a break even. If you get X number of tons of ice, is there a point where it is better and cheaper to make it or buy it?

CHAIRMAN EVANS: I don't know. I am sorry we can't give you an answer. I don't know -- Mike, what do you think, is there a break even point?

MR. BANDERA: I don't know if there is a break even point. At Six Flags over Texas we had two ice plants about one hundred and twenty tons a day they can put out. At one time our ice was costing us, delivered to the sales locations with our own personnel and trucks, between fifteen and twenty-five cents per hundred.

Is this still accurate at Six Flags Over Texas?

MAN IN AUDIENCE: We are building another new plant to increase the capacity of the other. I think it is seventy cents a hundred.

CHAIRMAN EVANS: I don't think there is any question in almost every business here it is worth your while to make your own ice. What approach do we use and do we do it in the stands?

If you are making snow cones, and you are going to sell a lot of refresher-type items, you will need tons and tons of ice so you had better have a capacity where the stuff is going to be used.

In a busy cold drink season, I don't think you could put enough ice making capacity in a stand. Maybe you could. We don't answer your question but we are trying.

The next thing is quarter pounder hot dogs. How many are emphasizing quarter pounder hot dogs? I thought a lot more would have done it. I thought more would have done the quarter pounder. Do you sell quarter pounders exclusively?

MR. SILVANI: Not exclusively but we have them.

CHAIRMAN EVANS: You sell small ones too?

MR. SILVANI: We sell the small. And the quarter pound is \$1.25.

CHAIRMAN EVANS: At the Chicago airport they get \$1.00 or 95¢ for it. They happen to be Oscar Mayer's sausage manufacture. Anybody here from Oscar Mayer? Oscar Mayer has the big balloon that is inflatable, which is a good point of purchase to have the sign with the balloon hanging down there. One will last for the season. It is something that is promotable.

I think as you look at your menu, it is promotable. You have the quarter pounder for \$1.10 and foot long hot dogs for 95¢.

How many here sell the foot longs? In terms of your foot longs, you went to 95¢, and the food cost was about what, 20% food cost?

It outsold the quarter pounder four to one. You are not doing either?

Just think what price you're paying. Talk about the ice maker; it is the same with the hot dog. I don't own stock in a hot dog company. I am glad I don't.

Louis, are you selling quarter pounders or foot longs?

MR. COOPER: No foot longs, but we do sell quarter pounders. We are going to go into it more intensively next season.

CHAIRMAN EVANS: What percentage are the quarter pounders and what about the little ones?

MR. SILVANI: We emphasize an all beef weiner and take ten to the pound, fifty cents. Oscar Mayer, of course, has two versions of the quarter pounder.

In one the big plump fat hot dog which we started out with on an experimental basis, they came out with a quarter pounder 18 inches long.

They wanted us to try it out.

We didn't particularly care for the idea at first, but the response to the thinner longer quarter pounder was more successful in one week.

CHAIRMAN EVANS: You don't sell foot longs?

MR. SILVANI: No. We discontinued them.

CHAIRMAN EVANS: We sold popcorn bags that we called yard of popcorn that were only 30 inches long.

MAN IN AUDIENCE: Weiner King came into our town, and I checked their quarter pounders. We went to the foot longs mainly because at the franchise they were selling like eight to one with the foot long.

CHAIRMAN EVANS: You ought to sell both of them and let the public

decide. They are going to buy one over the other.

MR. HEIM: We sell foot longs. We just started on the foot longs on the end of the season and we are doing much better on the quarter pounders.

CHAIRMAN EVANS: This is an old country fair item. I remember when a kid there were foot longs on the carnivals in the country fairs, and they never stopped showing up on the county fairgrounds. Next came the county fairs in town and see what they are selling on the midway and see how the people respond.

MAN IN AUDIENCE: How do you cook your hot dogs?

MR. SILVANI: Ours are on a roto wheel and with the quarter pounders we then put them on the grill. People prefer them on the grill.

CHAIRMAN EVANS: We make hot dog rotisseries, but it is neither here nor there. You make them so they taste good.

We are talking about getting a super price and trying to get good quality too.

If you don't like eating the stuff yourself and are not proud to serve it, don't ask the people to give you a lot of cents per capita buying a bunch of garbage.

Talk to a sausage man. There should be one every year. I don't know why they don't con the guys into joining this. Keep it simple for more profit.

MAN IN AUDIENCE: I sell a Polish sausage.

CHAIRMAN EVANS: You can run that type of sausage if you are in a Polish neighborhood. Be alert to what your people are eating in the stores. Get your sausage people to tell you something.

MAN IN AUDIENCE: When you switch to a quarter pounder or foot long, do your total unit sales go up? Do you care if they stay the same and the dollar volume goes up?

MR. SILVANI: I feel it does. When we sold a quarter pound hot dog, they bought the larger drinks too. It took longer to eat it. They will find something else to appeal to them.

MAN IN AUDIENCE: Do you do anything elaborate?

MR. SILVANI: We have Oscar Mayer make up special window displays and everything. I will not allow their name to be used. We don't advertise for anyone. I don't give a darn.

We tell them point blank that we won't use the name of the product. We do ask them to make up special signs for us, and they will do this.

CHAIRMAN EVANS: I said Oscar Mayer put the band around outside and the mobile. In the Myrtle Beach area or any other resort there are people who sell inflatable hot dogs without anybody's name.

I am sure our magazines carry ads from people who sell those types of inflatable items.

MAN IN AUDIENCE: I would say you are talking about sausage products. We sell a quarter pound bratwurst and quarter pound German weiner. They have a food service around the country. We sell it for a buck.

CHAIRMAN EVANS: When you are selling sausages, make sure the label says it is fully cooked before you start cooking it.

This is true with bratwurst particularly.

MAN IN AUDIENCE: Do you sell sauerkraut?

MAN IN AUDIENCE: We had it in the stand, and it didn't go over. We had the Rathskeller, found German potato salad went over better than sauerkraut.

MR. BANDERA: Everybody will find they are having to change and do something different in 1978. We are doing a lot of things wrong. I have got to do some things differently so I can keep myself open minded enough to try new ideas. Did somebody have another question?

TOM: We have got a small park with a limited room for expansion. Would the Reuben dog or Chili dog increase your units?

CHAIRMAN EVANS: You don't really care if it increases the number of hot dogs you sell. You don't want to decrease.

If you sell the same number of hot dogs at a buck or a buck and a quarter, you should be happy.

How do you assure quality control? We have touched on the subject. People use different shopper services.

You are the son of somebody or the daughter's friend of the family, and of course, those faces get old. You have got to get somebody coming in as shoppers.

This autumn we used the fuzzies. At Valley Fair they used fuzzies.

MAN IN AUDIENCE: It worked.

CHAIRMAN EVANS: What is a fuzzy?

MAN IN AUDIENCE: A fuzzy is a sort of reward given to the employee on an individual basis. When they do a good job they are recognized on the spot for it.

We use the feedback system that worked very well. Told the employees how they were doing and told them on a daily basis.

CHAIRMAN EVANS: You give the fuzzy for courtesy or cleanliness or perfect preparation? You give it for drawing a drink properly or serving the popcorn properly or whatever. What is the criteria?

MAN IN AUDIENCE: First of all we had to give them skills. What we told them how they were going to work during the summer.

If they did the jobs, they are reinforced by coupons which are redeemed for merchandise at the end of the year.

The guest gives it to the employee they think did the best job for the day.

CHAIRMAN EVANS: Just on occasion you gave a few a day?

MAN IN AUDIENCE: We gave 650 a day seven days a week; for the people it worked great.

CHAIRMAN EVANS: You must have some esprit de corps between the customers, and the customers get accustomed to being part of the people evaluation.

MAN IN AUDIENCE: We work on a 9 to 10 90% on stage during the operating season. We operate rides doing everything with the employees to show them we are part of what they are doing for us.

CHAIRMAN EVANS: I think the fuzzy idea is a great idea. Who wants to ask him something?

Somewhere we were talking about how do you keep them on all season. If one fuzzy is worth ten points in June, if they stay until the end of the season, maybe it is worth thirteen. If they quit in July it might be worth thirteen, and sixteen if they stay until the end and twenty if they stay for the last weekend.

MAN IN AUDIENCE: We tried to reinforce positive things. We thought it was so successful we made an 18 minute video presentation that we are going to be showing in Room 829 at the International.

CHAIRMAN EVANS: Thank you, that is a super idea. We have got to go to school on each other. Sometimes you know you say three hardest things in life one is to climb a fence that is leaning toward you and another is to kiss a girl leaning away and the third thing is to try to help somebody who doesn't want any help.

If you don't have a training manual, do something about it and make one. One of the personnel working on this was Stan Briggs from Lagoon.

Stan sent me one of the training manuals three years ago which is the most comprehensive, and the main winter project is going to be totally redoing his training manual.

Here is the guy who has got the best I have seen, yet he is redoing the thing.

One of the things we talked about last October was a training manual outline. What things should you include.

I talked with Stan and got new ideas.

Basically we have a training manual outline that has 30 general subjects in it. Again you have to elaborate. Training manuals we will send out.

Italian ice with soft serve, what is a twister and what are the results?

MR. HEIM: A twist machine is a double chamber in a soft ice cream machine where you can put two different flavors in.

Last year was the first year in Santa Claus Land and we were pretty much sold on the triple header. Your center spigot twists two flavors together. We saw Gold Medal Italian ice mix. We experimented where we could twist the Italian ice. We call it a Soft Italian Twist.

For a five ounce cup we are getting 45¢. We got about six cents per serving on the soft serve and about 6% on the Italian ice and over seven cents per serving on the food costs on the soft serve.

CHAIRMAN EVANS: How many people have twister type machines? You know they are expensive. The whole idea is to romance your product and give them something different. The machine costs --

MR. HEIM: Eight thousand dollars.

CHAIRMAN EVANS: Do you have an idea what per capita sales you are getting?

MR. HEIM: I guess one or two cents.

CHAIRMAN EVANS: You have one indication. Does anybody else have a per capita figure they are getting out of the twister machine? You would recommend the idea?

MR. HEIM: Right. Also Italian ice is a nondairy product and you don't have to worry about spoiling.

Italian ices were getting 10% better overrun. We are getting 50% overrun on the soft serve we are getting 40%.

CHAIRMAN EVANS: We had a soft ice cream manufacturer at the meeting. He commented that the machines don't have to be totally disassembled every day if you can get an enclosed system. The Board of Health man says it looks like a soft ice cream.

How many people are selling yogurt? Are you going to sell it next year?

MAN IN AUDIENCE: We have the twist machines in one location. We had a nine cents per capita. I would say one cent of the per capita might have been yogurt. The rest was the twist. They were running nine cents per capita and a penny was yogurt and the other eight cents were the twisted types primarily.

CHAIRMAN EVANS: Does anybody have questions on the soft frozen yogurt? I am not trying to put the product down.

MAN IN AUDIENCE: We tried the sundae concept, and it didn't work. Granola and different toppings we tried it.

CHAIRMAN EVANS: Everybody knows yogurt is the thing that keeps the people in the Balkan Mountains young. Information on the product is not running in advance of the implementation of the soft frozen yogurt.

The public knows that they are not going to live 130 years if they eat a lot of this crap. We have got to catch up. Has anybody got further questions on yogurt?

MAN IN AUDIENCE: Number 17 if anybody's got any ideas on that?

CHAIRMAN EVANS: What ideas have been found to combat bees during August, September, October too if you are open then? Somebody said don't worry because the bees don't sting in October.

A guy from Mt. Topley Market said he had somebody constantly going around and using Clorox, 50% strength, and found that once you have cleaned the surface the bees don't come near it. How do you handle it?

One of the things would be to plant various types of live growing things that they won't be attracted to. You can also get a sweet catcher and the bees will go to the sweet catcher or have marigolds to keep the flies away.

MAN IN AUDIENCE: Bees are going to go where the greatest concentration of sugar is.

I have had mild success with a machine by using moth balls.

MAN IN AUDIENCE: I use an insecticide called Seven. I mix it with water. You can buy it dry.

I go around the park and spray the grounds. Our park is not asphalt. It is mostly grass. And that is where the yellow jackets make their nests.

A couple of good applications during the summer and I have no problem. You kill all the bees, but you don't worry, it works.

CHAIRMAN EVANS: Number 18, supplemental mobile carts

People will go to the restaurants if they are going to go, but with the rest of the stuff you have to find a way to separate the folks from the money by taking the goodies where the people are. Somebody was getting rid of frozen bananas, and trying to get the highest gross profit of per capita, and if you can only put ten carts in a park that has half a million turnstyle a year, two per one hundred thousand turnstyle --

MAN IN AUDIENCE: I was curious. Are you using an individual cart or the larger specialized cart?

CHAIRMAN EVANS: When you get a larger cart, you have got a stand. The Board of Health says you have got to hook it up to water and two hundred amp.

What do you put out on nice hot days in Six Flags? Primarily a couple of ice stands, and six sipper wagons.

There is a question all the way in the back.

MAN IN AUDIENCE: We have twenty mobile carts, and you get lots of sales and you have to reservice the carts. He has a built-in water pressure in it.

MAN IN AUDIENCE: We do the same thing.

MAN IN AUDIENCE: One thing we did say when you were talking about mobile carts, somebody had cash registers and change operator. What was the comment? You end up with better cash control on a cash register? You end up better there than with an apron?

Where they had cash registers there almost never had shortages. It was on a separate cart where they had a cash register, didn't have shortages with cash registers.

They consistently had shortages with an apron.

CHAIRMAN EVANS: Sippers, how many people don't sell sippers? Lots don't sell sippers. For those who don't know what a sippy is --

MR. COOPER: It is a plastic container in the simulated shape of an orange, apple, or grape, and what we saw very little of this year was lemon.

It is made up of a fresh frozen juice concentrate. It is a five to one type product and is dispensed in our case by the vitality machines.

We fill the units by a bar-type spout and cap them. In our area we are forced to sell the top that narrows up over the end of it. Some states don't have to. We have to sell them and sell them with a straw. We sell them for 50¢ apiece.

We had some problem getting the shells this year, therefore, our sippy sales were a little bit off. It is a good input type of specialty for kids.

CHAIRMAN EVANS: As far as the food cost per unit, you said it is about 15¢. Almost everybody goes for half a buck. Would you say you run nine cents per capita on sippers? You sold them, didn't you?

MR. BANDERA: Yes. After a park has all the basic food sales locations, hot dog, hamburger and the fried chicken, we found that by adding the input food item throughout the park, the food per capita went up and the profit went up.

I have not found the point of diminishing return. Great Adventure had 40 carts operating in the park. Italian ice and the sippy and candy and pretzels and we keep it all simple.

As we added the portable carts, it went up. I think Six Flags went up.

MAN IN AUDIENCE: Not really that much.

MAN IN AUDIENCE: Total cart operation we are doing well over 50¢. I just wanted to say we are looking for new things. I have never seen a single item being more successful overnight than the sippy was. It is not going to be overall. I have never seen anything like it. We sold four hundred thousand the first year, and this year over a million in one hundred and seventy days.

CHAIRMAN EVANS: You are running more than nine cents per capita?

MAN IN AUDIENCE: Sippers are 18 to 20 cents.

CHAIRMAN EVANS: We talked about a natural food. Parents are buying the products because they are healthy.

Ten or twenty cents per capita, you can't say I can't afford the fine wonderful piece of equipment. There is some other addi-

tional equipment. One has been making them 15 years. A friend of mine got the best idea of the year introducing sippers at drive-in theaters 15 years ago.

MAN IN AUDIENCE: Where do you get them? We had a manufacturer that wanted to sell fifty thousand before he would talk to a small park. They want to sell them in such fantastic amounts. It is going to have to be distributed through channels.

For a guy to say you have got to buy a trailer full, that's crazy.

MAN IN AUDIENCE: I have been a sipper manufacturer, and I have fifteen million capacity. You don't have to buy a truck load. The problem is the insert. It does cost a certain amount of money to make the insert. It is a longer run.

CHAIRMAN EVANS: Well, Harry, I think it is something that you have a booth on the floor. There are a lot of people who have booths out there. They will be open tomorrow at 9:30, and the company is First Packaging Company.

I feel you are not going to get the price, because they have nothing but price. Ladies and gentlemen, thank you.

- ... The workshop was concluded at 11:30 a.m. ...

YOUNG EXECUTIVES WORKSHOP

FRIDAY, NOVEMBER 18, 1977

LA GALERIE V AND VI

The Young Executives Workshop convened at 9:30 a.m., Paul Serff, Hersheypark, Hershey, PA, presiding.

CHAIRMAN SERFF: Good morning.

The program did not give specifics about what we were going to try to do here today. Let me, in brief, tell you what we have in mind. First of all, it's called the "Young Executives Workshop" and "young", in our definition, is a state of mind and not a state of age. If you're a little gray on top or thin on top or whatever, don't feel you have to leave.

Secondly, what we have are three folks who are going to talk to us about the future of the travel business from their different specialties.

We will address ourselves to questions following each presentation, and if time permits, at the end of the session, we will break up into three smaller groups and do a little shirt-sleeve discussing, more in detail about perhaps some of the subjects that were brought up, or concerns you have about the future of our industry.

About a week ago, I had the good fortune to be listening to a marketing professor from Ohio State who was discussing marketing strategies, and particularly as they evolved through the last seventy-odd years, and he mentioned some startling facts that I wasn't aware of. He said that about eighty percent of the new products that are conceived in America fail. He then stated that of the

top one hundred American companies that were in business in 1909, by 1948 sixty-four of those went out of business and the remaining thirty-six stayed in business only because they were able to adapt and to change either the product or the service to the changing life-styles or changing needs of the customer.

In essence, it shows they had the foresight to know what they were and what their customers were and what they wanted, and then to act or react accordingly. An analogy or the antithesis of it might be the railroad industry.

If, in 1900, you would have asked a railroad executive what business he was in, he would have stated "railroad"; in 1930, he would have said, "the railroad business, but those doggoned truckers are trying to take over some of my business." And asked again the same question in say 1960, he would have said, "Well, we are in the railroad business, what's left of it, but between the truckers and the airlines, we are not able to hold our own." And I think what he failed to realize was that he was not in the railroad business, he was in maybe the transportation business, the freight handling business, or whatever, but not the railroad business.

I think it's important for us to learn from this and to understand that we have to know what we are and where we are going to go.

Satchel Paige said --it's probably the best of any of us -- he said, "If you don't like where you're going, you probably will end up somewhere else" -- and it's incumbent upon us to make sure we are one of the surviving thirty-six, and we know we can compete and know what we are competing against.

The first person today is Doug Frechtling -- he's no stranger to our industry or to many of us here in the room.

Doug is the Director of the United States Travel Data Center -- I'm sorry -- it's an arm that works with DATO, I suppose, and he has been its Director since it was established in 1973. As the chief executive officer of the nation's only independent non-profit research center devoted to travel and tourism, he's responsible for the market research program. He formerly served as deputy assistant to three secretaries of the treasury and is an economist for the Joint Economic Committee of the United States Congress.

He holds a Doctor's Degree of Philosophy in Economics, and is currently a professor in economics of tourism at George Washington University.

Doug?

MR. FRECHTLING: Thank you, Paul. I am always impressed with that introduction.

One of the points that Paul mentioned and I want to speak on is the role of the professor; he was listening to a professor of marketing. I teach a graduate course at George Washington University, and I was pretty impressed with that until I was reading some American history and rediscovered that the professor in the frontier west was the guy who played the piano in the bordello.

We devote ourselves to research in travel and tourism, but we

try to avoid any semblance of an ivory-tower approach, which is sometimes characteristic of the university community, and we do work closely with them.

Our own research program at the DATO Center is very much devoted to practical problems and finding practical solutions to produce practical benefits to the travel industry.

Now, in the years that I have been involved here, I have found there is a dichotomy in the amusement park and attraction center of the industry.

There are those who consider themselves travel related and feel that they get a substantial portion of their business from travelers. A good share of their market are people who travel fifty to a hundred miles to visit their park or to stay in a resort area and then visit the park as a longer vacation or weekend trip.

But there is another segment who look upon themselves as not travel related, but building their own market upon the local population, and depending upon the resident population of the area where they are located. They did not concern themselves with tourism. But I say that even this portion of the amusement park and attractions industry must take a good, hard look at what is happening in the travel market, for in one case, if travel is heavy, that means residents are going elsewhere and leaving their market area and they are going to have to do something about their marketing strategy to keep their attendance volume up.

If travel is high, a good proportion of the people in their local market are visitors or travelers, and of course marketing to the traveler is a whole, different ball of wax. So I don't think any of us in the audience today can ignore the travel industry and the travel market and the developments that are taking place.

If my remarks today appear to be oriented toward traveling, that is the business we are in and I think it's the business that you're in as well.

Among other research programs are two special surveys which are devoted to keeping tabs on what is happening in the amusement park and attractions industry. One is our national travel barometer, and that is a quarterly survey of visitor volume at a sample of about fifteen hundred to two thousand attractions and national parks and state parks, and in the sample we have about three hundred private attractions of one sort or another, and we publish these results quarterly.

The attractions sample showed up about fifty-eight million visitors during the first half of this year, so it's a pretty sizeable sample.

We found, as you all know, that the weather has been the primary force in the market for attractions and amusement parks this year. In the first quarter of the year, the extremely bad weather that we had in the east and north central parts of the country and even to the south, really did a job on attendance at amusement parks and attractions.

Our travel barometer showed that attendance was off four-and-a-half percent in the first quarter, compared to last year, and we

feel it's primarily due to the weather.

There was definitely a rebound in the second quarter. It was up almost eight percent at amusement parks and attractions in the second quarter, and I think that indicated a trend that we have noticed in the earlier years. That is when times are bad or when the weather is bad, that people postpone their trip or postpone their visit to your park, not necessarily cancel it, and I think the substantial growth we saw in the second quarter were people who could not visit in the first and took the trip in the second quarter.

It appears that the third quarter leveled off again, and this appears again related to the very hot weather we have had in Washington -- we had three weeks of the worst summer in that city, and the shore areas continued to do well.

The second program that we have is a limited program with about twenty-seven or twenty-eight of some of the larger theme parks and amusement parks, and that is a biweekly attendance survey, where every two weeks we gather in the data and send out a report to our subscribers.

Now, through November 6th of this year, we sampled twenty-seven parks and attractions which recorded forty-two million visitors; growth was up less than one percent over last year. Again, I think this shows that the weather had something to do with it, but there seemed to be some other cross-currents as well that are operating, perhaps some consumer reluctance based on income growth, economic growth, worrying about the tax and energy policies that are being proposed and discussed.

This seems to be a year of transition throughout the travel industry. We are going to be watching this very carefully, and also we hope to do some work in the future to try to nail down a little better what are the determinants of travel and what are the determinants of visits to amusement parks and attractions. We have to learn far more than we know about this important activity, but I don't want to dwell on the past or the present or the near future; I want to talk about the long-term future travel in 1980, and I want to concentrate on three factors which we feel are going to be heavy in deciding whether travel will prosper and your business will prosper or whether it might stagnate, and these are cost pressures, income growth and the changes in lifestyle as we can see them in the sociodemographic characteristics of our people.

Cost side, of course consumers are very sensitive to cost, and at times they are more sensitive than others. If prices go up too much, experience has shown that consumers tend to cut back. They try to increase their savings. On the other hand, if prices are moderate and income tends to go up, they are heavily into the market place, particularly in leisure time activities. It is the matter of what is going to happen to petroleum prices for the next decade that is going to affect the cost of travel and the cost of your operations substantially, and how much you're going to have charge your visitors.

Recently, an official of the OPEC nations predicted that petroleum prices would double by 1985, and by the same study, I came to the same conclusion, that insofar as the Arab nations are concerned, that petroleum prices could very well double in the next ten years. This is, of course, dramatic, but I don't think it's

that damaging.

A doubling of petroleum prices by 1985 works out to an average, annual growth of about nine percent a year, and we have seen much more and lived through much more than that in the recent past.

We are now importing about forty-five percent of our total petroleum usage in this country, and I think about thirty percent of that comes from the OPEC nations. In 1973-1974, the price of a barrel of oil from OPEC nations quadrupled just in the space of about eighteen months; the cost of gas went up over thirty-five percent over this period, yet people tended to travel. We noticed in all the sections they did, and continued to visit attractions, continued to stay in lodging facilities and to purchase food in restaurants, and so forth. They tended to cut back and economize somewhat, but they did continue to travel.

That quadrupling of the cost of Arab oil did not kill off our industry, so that I feel that a doubling of petroleum prices in the OPEC nations is digestible over the next decade. It is nothing that is going to really destroy our industry, moreover, to the extent that we can move into alternative forms of energy. In industries that can shift to our sources of fuel, let's shift.

Now, the travel industry is unique in that the transportation sector depends on petroleum for ninety-nine percent of the fuel and in the transportation sector, we can't use coal; we can use electricity to a very limited extent; we can't use the other exotic forms of power. We have to use petroleum in our industry. I think you have some leeway of shifting perhaps, back and forth, between petroleum, natural gas, coal and so forth, but to the extent that we can get the manufacturing industry and the utility sector to shift to coal, which we are told we have hundreds of years of supply, that will free up petroleum for travel and for the attraction centers, and that, of course, is part of the President's program, and I think it's a very real possibility.

There are also gains that can be gathered from conservation. A recent Ford Foundation study estimated we can reduce our consumption of energy thirty to fifty percent. Another study pointed out to zero growth and energy consumption from here on out would not endanger economic growth until 1990.

We have been wasteful in the use of energy because it's been priced rather low. We are going to have to change our ways, but I feel that these changes will be slow and not in the form of any discontinuities which are going to radically affect our markets.

I think we have got to be particularly careful to listen for those who would take our energy savings out of the automobile industry, and you will recall back in the oil embargo period, we had a voluntary moratorium of gas sales on Sunday and we had talked about closing gas stations on weekends. We have to be very careful about people who talk that way, and we have to be careful to point out this is going to have a major economic effect on our economy, and you can't say we are going to prohibit recreational driving because this is a non-essential activity.

We have got to be able to show that we are an important industry and we employ people and pay wages and salaries and taxes to the federal, state and local government, that anything that is done to reduce consumer demand is going to hurt the economy.

The second factor I think we should key in on is economic growth, and here we are talking about personal income growth. We recently reviewed a set of studies where they went out and gathered the results of about thirty forecasting models in the 1980's and came up with a consensus on what the economics is going to look like in the 1980's. Based on this, and it was all ranges and types of forecasting models, the consensus was that real disposable personal income is going to grow 3.7 percent a year. This compares to about three percent in the last five years. We are going to see about a twenty percent increase in the growth of personal income. This is income adjusted for inflation and taxes, so this is the kind of income that the consumer will have to spend on leisure-time activities, and we know as income increases, consumers tend to spend more on leisure-time activities and on necessities. We should be able to benefit from this growth.

There is going to be particularly rapid growth in the high-income factor; families with incomes of real purchasing power of twenty-five thousand dollars and over will grow about three hundred percent between now and 1990. That is a prime market for all of us.

The third factor is changing the life-styles and the characteristics of the population. One of the most important for the travel industry and certainly for the amusement park and attractions industry is leisure time. What has happened and what will happen to leisure time seems to be more of a state of mind than a concrete reality.

We have heard a lot of talk about increasing leisure time and the declining work week in this country. So far it has been talk. There has not been a dramatic decline in the average work week since World War II. As a matter of fact, a higher percentage of the work force works forty-eight hours or more a week than did in 1948. Fourteen percent of the work force now works forty-eight hours or more a week.

Why has that happened? Why have we not seen increases in leisure time in the 50's and 60's? Well, the fact is that workers have chosen to work more rather than increase their leisure time.

Now, as the productivity of workers goes up, their salary goes up, and as it goes up, they have a choice. For example, if their salary goes up twenty percent, they can work the same amount of hours and take home twenty percent more income, or they can reduce their hours of working twenty percent and take home the same amount. The consumer/workers in this country have chosen the former alternative. They have increased their incomes to take home increasingly more income and not cut back.

Why is this? There are a number of factors. First was the baby boom; you know, the great increase in the number of births right after World War II, and that meant that the head of the household had to work and earn income to support a larger family.

Child rearing, particularly today, takes a lot of money, and it has taken a lot of money, so the people in the work force have tended to boost their income and maintain their working hours to finance family growth.

Second, the kind of people who have characterized the work force tend to work longer hours. Until recently, the labor force

was characterized by prime age, male, household heads and those kinds of people tend to prefer, particularly in the cases where they have been the only wage earner, to work the longer hours. There is evidence of this from different labor surveys.

Women, the young and the old, prefer shorter hours.

Finally, the higher the educational attainment of the work force, the more the tendency to work longer hours. This is because of the type of job the higher-educated people tend to have -- the white-collar job, tending to be the forty to forty-two, even fifty-hour-a-week job. And also, this kind of job provides the worker with psychic benefits; he enjoys his work, and at one extreme, in some cases, becomes a workaholic because he gets practically all of his satisfaction out of his work.

These are the factors, I think, which have characterized the work force over the last twenty to twenty-five years. These same forces will exert a far different pressure over the next decade; smaller number of births and smaller families and fewer married couples.

The smaller number of births can be shown by the fact that in 1961 there were 4.3 million; back in 1975, it's 3.2 million. The population was increasing all that time, but we had significantly fewer births in 1975 than in 1961. People, particularly the younger people, are opting for later marriage, and when they do, putting off having children until a later time and having one or two instead of three or four or five or six.

As a matter of fact, in 1976, for the first time, more than fifty percent of the households in the country had only one or two people in them; and fewer than fifty percent had three or more people in them; just an indication of the dramatic changes in the household, the dramatic change in the desire to have a family.

Fewer children means more disposable income left.

The second factor, the labor force composition is changing towards people who tend to prefer to work shorter hours; the women, the young and the old. As a matter of fact, women and teenagers have accounted for seventy-five percent of the growth in the labor force over the last thirty years; seventy-five percent of the new people in the labor force have been women and teenagers, and these people prefer to work shorter hours, and in most cases they are augmenting the family income. They are not the major wage earner.

They are providing a second or third income for the house, so this is even more helpful because it's giving even more resources available for leisure-time activities.

Not a great deal of research has been done, but it indicated that this second and third income is set aside for luxuries and is not built into the necessity class. It's not considered a foundation to buy a bigger house or more food; it's considered money to be spent on a vacation or furniture or to be spent on a nicely-landscaped yard. So, this is the very kind of income that we are interested in. It's the very kind that is going to grow rapidly.

Finally, the major increases in educational attainment seem to be behind us. It's not going to shift to a higher educational level; we are not going to see much more of an increase in the pre-

ference for longer hours from this sector.

All of these changes indicate a greater preference for leisure time in the future, and I think there will be increases in leisure time as the years go by. This doesn't mean that we can sit back and enjoy the revenue from all of these people who have nothing to do but travel.

A recent study, and it's a small study published by researchers at Drake and Iowa State University, of people who work the four-day-work-week, they didn't tend to travel more. These people tended to spend more time around the house fixing up the house and doing yard work and odds and ends. They did not translate that into more or better vacations.

We have to be out marketing to these people. They will have the leisure time and the income, but we have to instill in them the desire to travel, the desire to visit amusement parks and attractions.

I think also that the demographic changes that are taking place are important. I believe Hugh is going to get into this in more detail. I want to talk about one thing, and that is the aging of the population. The population is getting older. The group that is going to show the greatest increase over the next ten years is the thirty-five to forty-four age group. Between 1976 and 1985, this group will increase thirty-six percent, while the total population will go up nine percent. And by 1990, it will increase fifty-eight percent. In 1990, the thirty-five to forty-four-year-olds will constitute fifteen percent of the population, compared to eleven percent in 1976. Fortunately, this group shows the highest rate of the travel generation, at least they have in the past, so this shift looks good.

In age of the population, the eighteen to twenty-four-year-old portion of the population will decline eleven percent between now and 1990. The population is getting older, and I think you must build this into your marketing plans and the way you're going to market in the future.

As I have indicated already, the long-term forces look favorable for travel and tourism, and this look that I have described here briefly is backed up by the studies that have been done elsewhere.

The Department of Labor and Transportation recently published studies which showed that the travel industry, airlines, hotels, amusement-recreation sector, will grow significantly faster than the overall economy in the '80's. As a matter of fact, the Department of Transportation recently predicted that total inner-city travel, by all modes of transportation, will nearly double by '90 to more than two trillion passenger miles. That is a lot of movement, and that is equivalent to two round trips by air between New York and Phoenix for every man, woman and child in the country; a dramatic increase.

Well, these are some of the factors that are to affect travel and your own demands in the years to come. I think we have to be aware and gain with them. I think we have to be flexible in changing our market studies.

It's a pleasure to have the opportunity to talk to you this

morning and I would be happy to take any questions that you might have.

Yes, sir?

MR MIKE CROWDER: Do you believe the higher educated eschelon accept intellectually and emotionally the need for recreation?

MR. FRECHTLING: I think it's been obvious, I think that the harder people work the harder they play, and one of the changes has been the active, outdoor kind of vacation and the active, outdoor kind of recreation. These people work hard and they want to play hard and I think they value recreation.

We have seen the studies that we have done that even when the economy is bad, travel and recreation tends to increase and tends to continue to go up. And I think that is a factor. The higher educated in most all of the population value leisure time, travel, amusement parks and attractions.

Any other questions?

(NO RESPONSE.)

Well, thank you very much.

CHAIRMAN SERFF: Thank you, Doug.

I'm not sure whether this is the good news portion of the program or not, but it looks kind of promising, keying in on some of the things you mentioned.

It's interesting when you talk about costs and income; these are infinite figures. Theoretically, in the future, everybody's income could be two million or more. When we talk about time, it's finite, and the use of that time and the discretionary time that people have to spend on leisure activities, on things they want to do, is pretty critical to our business.

The growth of tennis is a good example of this. It's a very highly intense sport where you can get a lot of exercise, a lot of satisfaction out of it. And I'm not sure whether I'm correct, I would think that the higher income people are probably the fastest growing group of tennis players now.

Doug will be available, if we have time in the break-out session, if you want to get into any more specialized discussion with him later on.

Our next speaker is Perry Weed. Perry is the Vice President and Counsel for Governmental Affairs for DATO's Discover America Travel Organization. He was graduated from the University of Chicago's law school and practiced law in Chicago from 1961 to 1971 as a trial attorney. He worked from 1973 to 1975, I believe, with Senator Adlai Stevenson as a special assistant, and has since 1975 been associated with DATO. He's a good friend of the IAAPA.

He's a very high advocate of tourism and I think what he has -- I'm not sure whether or not he's going to be as good news oriented as Doug was, but I think it's just as critical for us.

Perry?

MR. WEED: Good morning. I'm not sure the news is going to be quite as good as Doug's news. I think since the energy crisis the economy has been doing pretty well, but one thing that has also been happening in the last twenty-five years, and I think especially lately, is the government getting increasingly involved in our business.

I'm located in Washington and my focus is primarily what the Congress is doing and what the Executive Branch is doing, but it's happening at all levels. I think it's the federal level that we are beginning to have some of the most serious problems in running our businesses.

I thought I would start out with reading a piece that I think dramatizes this. The total cost of federal paper work tops one hundred billion dollars annually, or about five hundred dollars for each person in the United States. Federal paper shuffling costs profit businesses between twenty-five billion dollars to thirty-two billion dollars a year and individuals about 8.7 billion. These examples of the impact of federally generated paper work and scores of others are contained in the Federal Paper Work Commission's final summary report. It said legislation is the root cause of paper work, with record keeping requirements, applications, surveys and many other paper requirements that are either mandated or authorized by law.

Just to repeat, one hundred billion dollars annually.

When we talk about the U.S. tourism industry, I think some of you are acquainted with the fact that the travel and tourism industry is also a hundred billion dollar industry. Another way of putting this in the context of the size of the travel industry is to think of the defense industry, which I think now ranges in the area of a hundred and twenty to a hundred and thirty billion dollars.

This federal paper work that is being generated does not put meals on the tables of Americans. It does not provide leisure time or entertainment and recreation for Americans. It's part of an expanding bureaucratic regulatory system that I think all Americans have to deal with and begin to appreciate what's happening in the specific areas that are affecting them, and then they can work together with other people that have similar interests and do what they can to control this.

There are some areas where the federal effort is critically for the national interest; but, there are other areas, I think all of you are acquainted with some or all of those areas, where this is not the case, and I think it's critically important that we begin to deal with this.

One of the things that particularly strikes me -- and I would like to talk about a recent experience -- I think a lot of you or most of you have now heard of what is called the "three martini lunch". I think before this convention is over, some of you will know much more than the "three martini lunch".

It's becoming a national issue, and it's becoming a national issue because the current administration wants to make it a national issue. It's part of the administration's tax reform, but it's not a very important revenue raising device. It seems to be, at this point in the tax reform effort, more an item to sell the overall tax package. The travel and tourism industry is getting quite

worked up over the prospect of eliminating or severely restricting entertainment and travel expenses.

I think you have read quite a bit about this in the national press and some of the local press. In Washington, there are a number of groups that are meeting and trying to deal with this, and two days ago, the U.S. Chamber had a meeting in Washington.

I was struck by two things at the meeting. First of all, it was towards the end of the meeting when the group began to say, "Why are we calling this a three-martini-lunch problem? If we let our opponents define the problem as a three martini lunch and not what it is, a time-honored institution in America, the business lunch, because you want some big advantage -- why are we letting certain people that want to make this an issue in the country, why let them call it this, the three martini lunch?"

It took a while for this to sink in, but as long as we let certain people in the federal government call it a three martini lunch, we are going to lose that particular issue, so that when travel and entertainment expenses are discussed in the legislative processes and a vote comes on, whether you support taking that as a deduction, a legitimate business deduction, and it's put to the congressman as an issue of the three martini lunch, I don't think we are going to do very well on this issue.

The other thing that struck me at this meeting was the defensiveness of the business community. First of all, we let the opponent define the issue; secondly, that nobody talked at all about it being a legitimate activity. It was, "Well, we have got to go to Congress and talk about jobs and talk about that as our primary argument."

I think it may well be that there is no question that it's one of our primary arguments, but nobody said, "Let's make the argument that we are businessmen, that we don't go out and drink three martinis for lunch, that we make a business judgment when we take somebody to lunch, that we are going to get some advantage or we aren't going to get some advantage, and that is the reason for taking a deduction and not permit it to be narrowly defined."

I think pervasive defensiveness of the business community at all levels, the small, medium and large corporate businessman, is something that is beginning to be turned around and you're beginning to see some of the results of it in America with the leveling off and decline of the organized labor unions, some of the victories of the business community recently in Washington, it's happening very slowly, and I think every businessman and person who is out trying to make a profit in a new business or to survive economically, has got to get involved and feel comfortable about being a businessman.

There are a number of specific items that I think I would like to mention that are currently either being discussed in Washington or will be considered next year.

You heard a lot about minimum wage. Al McDermott and Bob Blundred and the other gentlemen last night, I think fully discussed the details of that. I'm prepared to answer questions later.

I think you are all aware that the big issue that remains

there is indexing, that efforts will be made in the future to get an indexing system. It's a system that would automatically provide for increases and it's something that the amusement industry has opposed, that the business community generally has opposed, and I think it's something that is not a good idea for the future of our industry. But, you're familiar with that and I think you ought to, when that issue reappears, get involved with your local congressman and write your senator and tell him you're fighting it and tell them what inflation is doing to your business. That is a really specific issue that has an impact on everybody.

The Fair Labor Standards Act -- but there are some other issues, the energy issue, that is in Washington, that I think all of us in this room and all of us in the travel industry have to begin to become aware of, pay attention to, to present our opinion on, and I would mention a few of them; right now, for instance, in Washington, there are six major studies underway that impact the travel and tourism industry, and some of them have never been done before and we don't know what the impact is going to be, but there are studies which every component of the industry should have their input to.

I know at the recreation meeting of the Bureau of Outdoor Recreation, Bob Blundred has been participating in the efforts there to have a national plan -- there have been efforts in that direction. Bob is chairing a subcommittee as a part of that planning process, and I know that there is an instance of active participation by your organization and your industry in a major federal program.

But, there are other programs that are going on, and I think that we are going to have to be involved in all of these studies. There is a major tourism study going on right now for over two years; it's the first study of national transportation policies. That is the first time. That is a two-year study that is underway, and many trade associations and other Washington interests have expressed their opinions on the needs in the transportation area.

We all know what highway beautification has done to many of us, to many road-side businesses. It's a major new study; they have studied that particular issue today because they haven't been willing to deal with the problems of the road-side business, only the amusement park and attractions, and their need to let the traveling public know that they are there; and anyway, they are going to do another study on highway beautification, and that is a study the amusement industry should be involved in, in participating and expressing their opinoin about their needs.

There is a study I mentioned, the recreation study; there are some minimum wage studies that are underway. They were probably mentioned to you last night. There are three telephone studies that are underway. The Department of Labor is doing a study on the minimum wage and there are two separate studies that will be done by a new commission that will be formed as a result of the recent amendment to the Fair Labor Standards Act.

On the subject of energy, I want to say that we all may be frustrated about hearing about energy and wondering what the facts are, and I have a couple of thoughts on that that I think it's important that we think about and maybe we can discuss later.

One is that it's critically important that we get ready for an emergency and an interruption like in 1973 and 1974. We may not think it's likely there is going to be trouble in the Mid-East, but since World War II, four times we have had major problems in the Mid-East. It seems to happen every five or ten years. There has been a blowup for years.

I think we as an industry, and the country generally, have to be ready for that. And I know that that is one of the primary things. The efforts now in Washington are directed at dealing with not only a comprehensive plan, but also the problem of an emergency and the interruption of supply.

One of the most important items there, I think, is that we have a strategic reserve, that we have enough crude oil stored underneath the salt flats; as you know, there are a number of programs underway to accomplish that, but, that we have enough crude oil stored so that the Arabs cannot blackmail us.

That is going to cost the country twenty billion dollars, and I think that is the kind of program that we all should be supporting. It's going to be expensive and take a lot of time to accomplish that, but I think that is one of the items in energy we have to be supporting.

I think we have to support the efforts of the Carter administration and the Congress to have a comprehensive plan, because if we do, and it deals with conservation and production, I think then we will be much better able to deal with interruptions and to deal with a smooth, steady supply of gasoline and diesel fuels so that Americans who want to travel and go to attractions will be able to do so.

The third item is the contingency planning process. You may remember that in 1976 there was a weekend closing plan and there was a rationing plan. The industry got together on this particular issue. It was initially being readied for submission, and in the final days of the Ford administration, a decision was made not to submit that program to Congress and I think it was primarily because of the final realization that there would be a severe impact on the travel and tourism industry.

I mentioned tax reform and the three martini lunch. We are going to hear a lot more next year about tax reform. I think, in terms of our industry, what tax reform is, it's a repetition of the kind of cancerous growth of the government telling us what we can and can't do. The Senate this year came within three votes of telling American businessmen that they could not take the price, the differential between tourist-coach fares and first-class air fare. Within three votes. Once they start telling businessmen whether they are going to fly coach or first class, they are going to start telling them how much they can spend, where they can stay, whether they can go to an attraction or not, what is a legitimate business expense and what isn't a legitimate business expense.

I think most of you are familiar with, or some of you are familiar with the law that was passed two years ago on limiting the deductibility of attending a foreign convention. It's called Section 602 of the Internal Revenue Code, and what it does, it says you can go to a foreign convention, but you can only take the government per diem rate for this particular area.

So, they are telling businessmen if they do decide to go to one or two conventions a year, they can only spend so much money and then they are required to satisfy all kinds of reporting requirements that the Treasury now admits are unworkable. They have set up such an elaborate set of bookkeeping requirements that the paper work can't even be handled, and I think that is why people in this room should be interested in an issue like tax reform and the deductibility of travel and entertainment expenses, because it's not going to be long before you're directly involved with some items that impact your industry directly.

I just want to say one or two things about working together and I have one or two examples of that that I think are important.

I think we talked about travel and tourism -- basically what we mean is there is a definition that we have been using, the words "travel industry", meaning an inter-related amalgamation of those businesses and agencies which totally or in part provide the means in transporting goods, as far as an accommodation and/or facilities to travel out of the home community, for any purpose not related to day-to-day activities. I think it's critically important that we think of ourselves as a big part of a big family and that when an issue comes up that has a potential impact on ourselves, and certainly on our allies, that we get together as we did in the energy crisis in 1973-1974 and confront those issues by working through a broad coalition, and that we think of travel and our interdependency, and we think of ourselves as a large manufacturer -- we are somewhat like the steel industry, that all of those parts go together and if you take one part out, you take transportation out, the people are not going to be able to come to your park or attraction, and that is the basis and the reason we work together.

The Senate study on tourism, which is coming to a conclusion, has accepted this notion that the travel and tourism industry is an amalgamation of a number of groups.

I will tell you what they have concluded, the eleven groups, and where they have placed your particular industry. Number 7 is attractions and event promotion groups, and it's under that category that they have listed amusement park and attraction operators; 8, manufacturing and sales; 9, labor; 10, publishing and printing; and 11, public interest groups, which would be consumers and environmentalists.

What the study is saying is that 11 of these groups have a common interest, and in certain areas, they should be -- they are not saying to us that we should be working together, but the image is that we should be working together.

You know, the effort to have a consumer protection agency has been an effort in Congress of the Nader and other groups for quite a while, and they haven't had the votes because a number of groups in America banded together and said, "That is not what we want." And they tried, right towards the end of this session, which isn't over yet because they are waiting for the energy bill, to rename the Consumer Protection Agency, and the name that was given to the agency at this point was a euphemism for what they were trying to do, they called it The Office of Consumer Reputation. It did not win them the necessary votes to get this moving along before the term was out. So the business community in this particular area

has been successful. But the advocates of the Consumer Protection Agency will be back next year and so it requires continual work.

The other example is one that must have been discussed last night, but it was an effort that Bob Blundred and Al McDermott and some other people made. In my four years in Washington, it's the most exciting and most effective lobbying effort I have ever seen, and that was the effort of the attractions industry; the large attractions that were threatened with losing their exemption under the minimum wage.

The first step of that was that we learned about it, and everybody who was involved passed the information around; there was a general alert. It was quickly decided there had to be a meeting in Washington about what we would do.

During these meetings, we all exchanged whatever information we had. Everybody indicated what kind of resources they could offer to the campaign and we began to formulate a strategy.

There are certain forces in Congress that believe the exemption that the attractions industry as well as some other industries, particularly the farm workers, have had for many years should be eliminated. That has been a true and traditional goal of organized labor in America, to eliminate all the exemptions to the minimum wage and overtime provisions of the Minimum Wage Act, and so something had to be done or these larger attractions were going to lose the exemption. A plan was formulated when we knew there was little time left.

Everybody who could offer anything by way of resources got together and we divided up the United States House of Representatives, which was, as you know, four hundred and thirty-five representatives, a formidable task, to go to every one of those offices and get the message that we had developed, to get it to each of those offices and to begin persuading people that there was not one that should be included in this elimination of exemptions -- there was one that if the exemptions were eliminated, the problem of unemployment, which is a major, national problem, would be made that much worse.

A congressman who has Six Flags Over Texas in his district agreed to take the amendment to the floor of the House of Representatives.

We told him shortly before the day that he took that amendment up, roughly what we thought the count was. We had basically covered all four hundred and thirty-five representatives, and the count that we gave to the congressman was within ten or fifteen of what the actual vote was. The count was that we could win the issue and we did win the issue, and it was -- for me it was a personal side, like I sat in the gallery with Bob Taft, the former senator from Ohio and the senior vice president of Six Flags, and we listened to the debate and watched the vote tally and early on we saw that we were going to win.

And that issue was won because the system in Washington is much more responsive than a lot of Americans believe it is, and when the individual efforts of all the attractions that were involved, and the communications, and the rationalization for our argument, the teenage employment aspect, when all of that was fin-

ally made known to the congressmen, they saw that the way to vote on this issue was to keep the exemption; that it was in the public interest to keep the exemption, and that was won.

And everybody in this room ought to be proud of the work of Bob Blundred, Six Flags, Busch Gardens, and all of the attractions, Al McDermott and Bill Touhy working with me.

And the thing that was most exciting about it was there was nobody who got caught up with their egos; they all did what they could and we won. It's a story of success in Washington. There are a lot of times when you can't win, but there was one that by people becoming involved, we won.

I think the American government is only as good as the participation of Americans, and especially Americans who have legitimate interests. It's only as good as those interests are able to get their message to the congressmen so they are not voting on three martinis at lunch; they are voting on the issue of whether the business lunch is something that should be continued or not.

I would be glad to take any questions if anyone has any.

(NO RESPONSE.)

CHAIRMAN SERFF: Thank you, Perry.

This is probably the scariest area for me, the government relations, and the seemingly inaccessibility that we have had in the past.

I have one question that I would like to ask you. You said that businesses are making headway in Washington as far as the effect that they are having and the confusion that they are having in Congress. Is this because the philosophy that we have had for awhile that profit and business are bad? Is that changing, or is it that business is basically getting its act together?

MR. WEED: I think both of those things are happening. I think business is getting its act together. I think the traditional democratic look that was formed during the Roosevelt administration is beginning to break up, that the younger men are much more responsive. Nobody is making a call to Wilbur Mills and being able to handle everything; that the government is much more responsive and that there is a growing realization that business in America creates a lot of jobs and provides a lot of taxes, so I think it's a combination of them beginning to get their act together, communicating better and also that the Congress is very responsive but it only responds when it gets the message, so I think that is the important thing, that they get the message.

CHAIRMAN SERFF: Okay. Thank you very much.

Any other questions?

MAN IN AUDIENCE: As a Canadian, I'm wondering what the update is on 602? Is it going to be changed in our favor?

MR. WEED: The question concerns Section 602, which is the provision restricting and limiting the deductibility for traveling and spending money at a foreign convention.

It's my understanding that for this year they are not going to get any correction or any improvement in that situation other than some bookkeeping and some record keeping. Records are going to be eased, but the basic change in that law isn't going to occur and the major effort as part of that change was to have what was called the Canadian or the North American Exemption which would have permitted traveling to Mexico or Canada and have the rule not apply in those areas.

But there have been some objections to that because, first of all, that would be a major change, major reform, and there were only two procedural changes as part of the effort this year. But some of the interests in the travel industry are concerned about picking out two or three countries and saying, "We are going to have special rules for Mexico and Canada and the other countries in the world are going to have this limitation."

The real problem with provision 602 is that it will promote reciprocal action by other governments; they will start restricting their national traveling to America and this taking deductions for traveling to America. So I think that's the primary reason that it's a bad provision. What will happen next year, I don't know.

CHAIRMAN SERFF: Our last speaker for the day is Hugh Irwin from Eastman Kodak. Hugh served as a Marine pilot in World War II and is a graduate of Denison University in Granville, Ohio. After serving in the Armed Forces he returned to his native Rochester and joined Eastman Kodak as a sales trainee, in September of 1948. From 1950 to 1963 he was the company sales representative in several midwestern and southeastern areas. In 1963 he was appointed sales manager or supervisor and in 1966 returned to the Kodak headquarters in Rochester. Mr Irwin was appointed Director of Special Markets in September of 1976 and in this position has had the opportunity to become well acquainted with our industry and has been a good friend of the amusement parks and attractions.

Hugh is going to talk to us about how a large supplier to the travel industry and for leisure time activities used the full of these products, and of the attitude that the customer has in relationship to the product and how they have kind of changed their ways over the past several years and what they look forward to seeing in the future.

Hugh, it's all yours.

MR. IRWIN: Thank you, Paul.

After some years of attending IAAPA conventions, I was particularly pleased and flattered to be asked to participate in the Young Executives Workshop. I say "flattered" to be with this young executives group because I myself hit the fifty-five limit this year, and with all due respect to President Carter and the Federal Energy Commission I'm afraid this is one instance where I can't hold it on the double nickels, but I do hope to be around Kodak and associated with leisure marketing for a while longer.

Everything in life runs in cycles. A complimentary bit of research being done at Yale finds that contrary to the old concept of a more-or-less continuous journey from cradle to grave, most of us live our lives as a series of structures and it's important to note that each structure lasts no longer than seven or eight years.

This is a lot like the theory that was going around in business circles about a dozen years ago or so that people ought to have a career change about every seven years, whether they need it or not.

Perhaps a better title for my remarks this morning would have been the "seven-year hitch", but after twenty-nine with Kodak and the last nine of them in special markets, I seem to have skipped a cycle or two somewhere along the line. However, in seven more years, I expect the youngest of our kids to be through college, and if I can settle up with the banks, I hope to look forward to a leisure cycle of my own. It's the next seven years that I would like to talk to you about today.

But first, let's focus for a few minutes on the world of opportunity as we knew it seven years ago, compared with how different things are today. I don't have to tell you that the last seven years have brought some big changes in the attractions business, with new theme parks springing up across the country and major development programs at many of your own fun parks. I have seen how important it is to you to add a new feature to your parks to bring your visitors back again.

It may be hard for some of you "younger" young executives to remember, but there were some that I can recall who seven years ago were concerned that the photo business might be drying up for the very same reason that a man once suggested closing the U.S. Patent Office -- he claimed that everything had been invented.

But just think of the parade of innovation that has taken place since -- pocket cameras, dry-developing instant cameras, 35mm cameras that are smaller yet do more for the user, faster films, existing-light movie cameras and films.

Every one of these developments has meant more pictures taken at your attractions, and I can never let an opportunity go by without telling and reminding you that those pictures can turn into some of the best advertising you can get; free advertising from visitors who captured their fun times at your park on film and then show them to their friends and family.

Today you will not only find more and more picture taking at attractions, but film for sale there for those that might have forgotten to bring it along, or better still, for those who ran out after they find so much to take pictures of. And if your park isn't taking advantage of this situation, you and I had better get together later.

At Kodak, we believe in research of all kinds, and we have concluded that new developments, in effect, create new careers, write different job descriptions from what existed seven years back in time.

If you're anything like me, examining them all at once like this makes you wonder what sort of changes might lie ahead in the next seven years.

One way of getting at this is to think about why the changes that we have already lived through occurred in the first place. Research and development has been a big factor. In the six years following this moment in time we are considering, Kodak alone poured more than a billion-and-a-half dollars into R&D. We are

now spending at the rate of more than one million dollars a day; not just every working day, but every day in the year. R&D is not exactly a process you can shut down for holidays and weekends.

A corollary factor is the corresponding expansion in promotion and merchandising efforts. But granting the power of more widespread research and development, combined with more aggressive promotion and merchandising, I don't feel the two together fully explain the changes we have seen in recent years.

To my way of thinking, the overriding factor has been that consumers demand greater variety of choice, more convenience, better values and all the rest of the mix of rational and emotional attractions that draw people to photography in the first place.

I'm sure that you can recognize the same demands in the attractions industry. So, it's consumers that we must study first and foremost to read some signs of things to come.

What do we know or what can we learn about them in order to plan our business intelligently? To begin with, by the turn of the decade there will be more babies in the population, 8.6 percent more. Since they are the most popular subject for photography, that comes as good news for those of you who push stroller rentals.

On the other hand, there will be a lot fewer children between the ages of five and thirteen, down 9.6 percent, and that is not too encouraging if you happen to be an education major in college, or in the amusement business.

The number of teenagers will drop as well, seven percent down. There are important marketing implications here because this is the age at which people spend a lot of time at attractions, as well as when they generally develop an interest in photography.

On the bright side, the head count on young adults between the ages of eighteen and thirty-four will increase appreciably; twelve percent. This is the period that we have identified as "household formation" years. So, wherever they live, people of this age are big users of photography and they should be taking a lot of those pictures in your park.

Middle-aged people, as Doug pointed out, between thirty-five and fifty-four, will increase. It's a period when people's incomes are usually approaching a peak, and historically this has been another group to watch for vacations, traveling and heavy photographic consumption.

Those in the pre-retirement bracket, fifty-five to sixty-four, will increase even more, relatively speaking. I know they increased by one last month. And worth noting here is the recent trend toward forming new interests at this point in life. My wife is keeping an eye on this trend. And finally, people sixty-five and over will increase most, on a percentage basis, next to young adults.

This is a market segment that a lot of you may have been overlooking -- a disservice to both them and ourselves. There's a fallacy wandering about that older people can't afford much beyond subsistence. The fact of the matter is that households made up of people sixty-five and over -- usually two people not working --

have a per capita income that is equal to 95.5 1/2 percent for all households, and these people have fewer obligations draining their resources.

Now, let's look at per capita disposable income, what's left over after taxes and other payments to government and available for either spending or saving. It averages about six thousand and thirty dollars this year; by 1980, it's projected to grow to seven thousand, six hundred and fifty dollars.

Out of this, people have to pay for such essentials as food, shelter, clothing and transportation, of course, but there will still be plenty left over for discretionary spending; so the question before the house becomes, "How are people spending discretionary dollars?"

Let's look at just a few of the eye-catching expenditures. I'm sure that many of you saw the six-and-a-half-page special report on the skateboarding boom in your recent copy of Amusement Business. The U. S. Skateboarding Association estimated that there were forty million skateboarders sold last year. This might have something to do with the sharp rise in the number of medical school students specializing in orthopedics.

U.S. News & World Report says that there are now more than twenty million CB radio operators in the United States. It's been estimated that this year alone, ten million sets will be sold as opposed to only one million four years ago. Purchasers talk a lot about safety on the highway and obeying the speed limits, but let's face it, they buy CB radios in the millions because they're turned on by the idea of having something to say to one another on the open road -- self expression.

According to a Standard & Poor survey, as many as ten million electronic video games will also be sold this year, increasing to seventeen million by 1980. Most of them are intended for the United States market.

Economist George Katona, who invented the consumer-confidence index, and the term "discretionary dollars", for all I know, maintains that in an affluent society like ours, it's getting things backwards to say that consumption is a function of income; rather, income is today more often a function of consumption.

In other words, within limits, people will earn what they are motivated to spend. How? By working longer or by adding to the number of paychecks coming, as Douglas already brought out.

How often have you seen this borne out, when the kids go to college, mom goes back to work or dad starts doing some moonlighting? All of this suggests perhaps a new prospective on the hundred and sixty billion dollar leisure market, which, by definition, is all discretionary expenditures. As we have seen, and as Paul mentioned, within practical limits, consumers can add to discretionary dollars, but they can't add one bit to the twenty-four-hour day.

Instead of thinking of ourselves as competing for consumers discretionary dollars, we ought to think of ourselves as competing for those discretionary hours in which they practice self expression.

If it's the people's time that we are really trying to win, then having fun at attractions has got to be as stimulating and much more rewarding than skateboarding, C.B. talk, playing video games, and a lot of other leisure activities that don't allow you to take pictures while you're doing them.

Ladies and gentlemen, I submit that the attractions industry and photo industry have both got to sell the full-time self-expression of picture-taking.

Such an additional emphasis would represent one more dramatic change from the way things have always been done in our business.

The photo industry has tended to promote picture-taking in connection with certain times of the year, certain times of day and on certain occasions and there were good, sound marketing reasons for this.

These were the happenings for which people put away their dollars and for which the particular products we had to offer at the time manifested their greatest utility. But this leads to peak-and-valley operations, which are an enemy of profitability, whether you're talking about photo merchandising or running an attraction.

Don't get me wrong -- I'm not advocating lopping off the peaks. What I'm saying is, let's do something to build up the valleys. The conditions will never be more right for it. You have the parks, and the people have the time and the money, so the trick is to get them together as often as possible.

Even where your business is highly seasonal, many of your parks are open weekends in the spring and for a while after Labor Day. With an eye to these increasing market segments of young adults with young babies, special promotions from Easter egg hunts to Halloween spook nights, could increase your visitation and our specialists can tell you how to tie these in with picture-taking promotions.

For that sixty-five and older group, a little more concentration on tour buses and group sales could pay off, just as promoting school groups brings more teenagers to your attractions during the off-season period.

As we have seen, the pursuit of leisure has become a round-the-clock, round-the-year activity for us consumers. It's now the nation's largest industry. Self-expression has become the principal purpose of leisure, and now there are practically no limits to where and when people will go to have fun, or where and when pictures can be taken.

Travel and photography have become pastimes for all seasons. The lighter, more compact cameras, like the tourists themselves, can go almost anywhere -- well, almost anywhere. New faster, wider-latitude films make possible good color rendition under almost any lighting conditions, indoors and out. And people want to take pictures; they want to save the memories of their outings; they want to show their friends where they have been.

May I suggest to you that you encourage the picture-taking in every way you can. Help them save the day in pictures and they will go out of your park as ambassadors of good will.

The universal need for leisure and just plain having fun was never more apparent than it is today, from the youngster discovering his first thrill ride, to the senior citizen enjoying those golden retirement years.

The future of the photo and the amusement business, in my opinion, will be written in terms of how fully we satisfy the emerging demand on the part of people of all ages.

Thank you.

CHAIRMAN SERFF: Any questions at this point?

(NO RESPONSE.)

I love to collect snappy little sayings and I have two, and particularly one that Hugh brought to mind with the CB's and the television games -- again, the same professor said, "The way you can tell the difference between men and boys is the price of the toys." I think maybe that applies there.

The second saying I would like to offer today comes from John Gardner, and John stated that, "We are continuously faced with a series of great opportunities disguised as insolvable problems." And perhaps some of the things that we have talked about, some of the potential problems that we see in our industry, if we approach them as opportunities, we might have a better chance of solving them.

We have approximately twenty-five minutes left in our program. If there are any general questions that you would like to address to the panel members, we would appreciate them now. If not, we are going to break up into small groups, and if you have any questions, or if you want to say anything about the legal season in Washington, or the mood of the Congress or anything more in detail on what Perry was addressing himself to earlier, would you kindly come up to the front of the room?

And Doug and Hugh, if you would kind of move on to the back-side, there will be a very informal discussion about anything that they have either talked about or anything concerning our discussions that you might have.

The back part of the room can turn their chairs around and have a discussion back there.

... The workshop was concluded at 11:30 a.m. ...

WHAT'S NEW THEATRE

and

IAAPA ANNUAL MEMBERSHIP MEETING

FRIDAY, NOVEMBER 18, 1977

MARDI GRAS BALLROOM

The What's New Theatre Workshop and Annual Membership Meeting convened at 1 p.m., Errol McKoy, Six Flags Over Georgia, Atlanta, GA, presiding over What's New Theatre. Charles R. Wood, IAAPA

President, presiding over the Membership Meeting.

CHAIRMAN MCKOY: Good afternoon, and welcome to the What's New Theatre on roller coasters. It may be informative. Roller coasters, as you all know, have attracted international attention within the last two years, and they have really peaked out the past season.

There have been hundreds and hundreds of articles written for national publications such as Smithsonian Magazine, Oui Magazine, and Time Magazine, just to mention a few.

We have got a big article coming out in Fortune Magazine. It dealt with which coaster was better, wood or steel. I would like to read a paragraph from the particular article.

"Which type of coaster is the best, wood or steel? As in all things it is a matter of taste. Lugs and corkscrews probably offer the rawest thrills in an unadorned mind-bending stomach-stretching terra. They stand at three hundred and sixty degree turnover.

"However metal coasters are somewhat mind-bending too, although they lack the wooden coasters' ability to engage the eye and the ear.

"Riding a wooden roller coaster is like barnstorming a byline.

"A trip in a metal one is like flying to Cleveland in a jumbo jet. Both will take you where you want to go a little bit out of mind with fear and fun.

"Only in the wooden coaster are you sure you have flown."

Out of the November issue of Oui Magazine, "Why do people ride roller coasters? They say it is the only place in society where a person is allowed to scream his or her head off."

From Lawrence Balter, Professor of Psychology at New York University, he feels riding roller coasters is a form of rebellion against the parents who made us behave.

The particular article in Oui Magazine was written by Professor Robert Cartmell. Dr. Cartmell seems to be getting the most coverage, I think, of all journalists, though it is not his profession or ambition. The "Top Ten" list has been carried in many national publications, the New York Times and Time Magazine.

Who is this fellow, Robert Cartmell? We have got him on film. This view was taped from the Today Show which aired July 4th of this past summer.

I am sure it was July 4th; all of you were busy working in the park and didn't have time to see the particular interview. We would like to show it to you now. Dim the lights.

(Whereupon a movie was shown.)

CHAIRMAN MCKOY: Promotion of a major new roller coaster is an important element of one's marketing plan. We want to show you a film that helped Six Flags Over Georgia promote the Scream Machine in 1973, and it did more than any other single element we

use.

We still use the film at the present time. It has been shown over twelve thousand times. It was featured as a prime time television special by the Atlanta affiliate in the spring, 1973. It has been aired throughout the south.

The elements of the film have still been used by the Smithsonian Institution as part of the coast-to-coast coasters exhibit.

(Whereupon a movie was shown.)

CHAIRMAN MCKOY: The local feelings generated during the opening of a roller coaster are vital. We found throughout the years local press gets more excited about the roller coasters than any other type of ride.

The reporting gets to be sensational in nature and sometimes amusing. I am glad that that kind of fun occurs, as I am sure you are.

It reinforces, and it gives credence to the hard-driving advertising we use after the opening of a coaster.

Here are the better station reviews we have received in Atlanta and St. Louis.

Bring the lights down, please.

(Whereupon a movie was shown.)

CHAIRMAN MCKOY: There are some truly unbelievable roller coasters under construction right now opening next spring and summer. We have some gentlemen with us today who are going to tell us a little bit about the roller coasters.

The next segment of the What's New Theatre would be aptly titled How is the Arms Race Shaping Up For Next Year?

To lead off, we have with us a gentleman who has been a coaster buff for years. He is the Vice President of Taft Production Companies. They have built seventeen -- I have lost count --

He is also General Manager of Kings Dominion, Dennis Speigel.

MR. SPEIGEL: Really my home is Kings Dominion. I am here on behalf of the Taft Amusement Park Group.

To give you a brief review of roller coasters in our company, historically the Taft Group traces its origins back to the industry and in back of the river in Cincinnati.

The first roller coaster was born in Parkers Grove. It became a Sunday picnic ground for social outings, and there were steamboats that would make the journey up to the grove.

It was a favorite resort of people in the Midwest. Parkers Grove became known as the Coney Island of the Midwest.

In 1925, the first roller coaster, the Wildcat, was built. It thrilled people for more than four decades.

The Clipper was a forerunner to the Shooting Star. It was built in 1937, after the great devastating flood.

In 1947, its framework was included in the famous Shooting Star. The Star was Coney's most famous ride. It has been said it had to rank with the best of roller coasters in its day. According to Ralph Wachs, the Star cost the tremendous sum of one hundred and fifty thousand dollars; five percent of what it costs to build a twin-riding coaster today.

Kings Island opened in 1972, with the first coaster to be built in thirty years. Popularity proved coasters were the number one element in attracting people to the amusement parks.

Giant wooden or steel coasters are practically a must in the industry. People want and expect the type of thrill and entertainment.

We found that not everyone enjoys the thrill of the giant coasters; therefore, smaller coasters such as the Scooby Doo, as we call it in our park, are being built.

Another of our parks, Carowinds opened in 1973. The Gold-rusher Mine coaster was the park's biggest single thrill ride.

When they purchased the park in 1975, the first thing was to build a smaller coaster, and work also immediately began on the popular twin racer which we have in all three of the parks.

Then they opened in 1976, Thunder Road, which was aptly named with each car appropriately designed.

Kings Dominion opened in 1975 with a coaster called the Rebel Yell. It features a three hundred and fifty degree drop from a height of eighty-five feet. This coaster has been called the smoothest in the world. We believe it to be today.

A smaller wooden version and the steel spiral also came to Kings Dominion in 1975.

Our research has shown that the coaster is the park's most popular attraction. People came to the park to ride the coaster.

Twelve different coasters have been ridden by a variety of special guests and hosted numerous tours and VIPs.

National publicity has been garnered on the coasters, advertising on its points. You will find billboards expressing the attraction minus any verbal message. Nothing has to be said about the coaster.

Magazines like Time, Smithsonian, and Travel And Leisure and the December issue of Fortune have featured articles on roller coasters.

We held a marathon championship with three young men riding the Rebel Yell over one hundred hours. It was featured on national television twice. It gained a lot of publicity amounting to seventy-two million riders.

1977 was the year of the Looper for the three parks. Kings Island added the Screamin' Demon. Kings Dominion, King Cobra.

Carowinds has White Lightning.

As we progressed in the past with major new rides and attractions, I am sure we will continue to explore and add new attractions each year. We are all doing that. Roller coasters remain the most popular of the amusement rides.

It combines the speed capacity and the fun for any sized park. This past season nearly eighty-six and a half million people rode the coasters against an attendance of thirty-five and a half million.

At Kings Dominion we have a multi-million dollar project slated for opening. Inside a huge mega-structure riders will travel through a section of coasters in time. They might journey deep into the earth or under the seas. They might visit its ancient civilizations or film as the things go by.

Kings Island might be called a throwback to the switchback railways. Coasters here are combining the natural territory with natural effects.

Look at the new rides and coasters, and we know what the past has brought us. New coasters will continue to gain recognition. They are getting bigger and better and faster. Everytime one is built, as you are going to see today, they are bigger and better.

Coasters combine the speed and the capacity and the scare and the visual attraction.

There are fears that wooden coasters are going to be extinct. I think today's program has shown it is untrue. New coasters will continue to be built. New riders, but the same old screams.

I guess the best description came from a great friend of ours, Harry Batt, Sr. I remember Mr. Batt saying the coaster is king, and it always will be. Thank you very much.

CHAIRMAN MCKOY: The next gentleman has quite a task coming up next year. Cedar Point has five with an addition of a sixth, and his worries are going to be expanded.

I will introduce Richard Kinzel, Director of Operations at Cedar Point.

MR. KINZEL: Thank you, Mr. McKoy and good afternoon, ladies and gentlemen.

Before I preview Cedar Point's new attraction for 1978, I would like to briefly acquaint you with our park.

Cedar Point is located in Sandusky, Ohio midway between Cleveland and Toledo. It is situated on a 365-acre peninsula on the southern shore of Lake Erie. Cedar Point is the largest ride park in the world, and its facilities include a 750-dock Marina, a 360-site RV campground and a 400-room traditional resort hotel. The park traces its history to the year 1870, when it began as a picnic and bathing resort. Cedar Point has been in continuous operation for 108 years.

Presently we operate five roller coasters -- one traditional wooden coaster, three steel coasters and another coaster with a

traditional wooden structure and trains that run on 4-1/2 inch, tubular steel track. I would like to tell you about our sixth.

By May of next year, we will build a figure eight design, double racing coaster. It will mark the completion of a three year, 3,000-foot long midway expansion program.

That expansion program began in 1976 with a 2,000-foot Arrow Corkscrew, which contains both a vertical loop and twin helices. The Troika and Enterprise rides, built by Huss of West Germany and a new Dodgem building, along with merchandise and refreshment stands are also included on the midway.

Total expansion costs have amounted to 5.3 million dollars with another 4.0 million allocated for 1978. Of this 4.0 million, nearly 3.4 million dollars is directed toward the construction on the new coaster.

The coaster itself -- which is yet to be named -- will have a lift height of 124 feet, with the first drop designed at a 55 degree angle and a descent of 118 feet. The expected speed will be 60 mph or more.

The coaster is engineered and manufactured by the Arrow Development Company of Mountain View, California. It is our third Arrow coaster. A major feature of the ride design is the combination of the nostalgic appeal of a wooden super-structure and the efficiency and convenience of tubular steel tracks.

The coaster is engineered to allow the operation of three, 30-passenger trains per track with an hourly capacity of 4,000 rides per hour (to guests). Trip time will be 2 minutes and 20 seconds. Cycle time will be 2 minutes, 35 seconds, with a fifty-four second dispatch interval.

Let me give you a brief description of the ride. The two trains leave the station and begin the long climb up the first hill. After that first drop of 118 ft., the trains climb back up a second lift that is 101 feet above the ground. As the ride continues, the trains cross under trestles at two different points moving in a figure-eight design. There are seven more speed dips and an ascending spiral in the 3,900 foot long ride as the trains "race" each other to the finish.

The announcement of this new coaster has generated two questions within the industry. First, why did we decide on the design features of a wooden structure and tubular steel track? And, second, why with five coasters already, are we adding a sixth roller coaster to our ride selection?

There are practical reasons, of course. The Arrow design permits certain innovations that have the beneficial characteristics of cost efficiency. For example, the ride structure requires (only) 500,000 board feet of lumber. The lumber required is 1/2 to 1/3 less than would be necessary in a conventional coaster superstructure. The cost saving is significant.

As for the tubular steel track, it is the most operationally efficient type of track for roller coasters in terms of capacity and safe ride operation.

But most important is the appeal of roller coasters. I men-

tioned earlier that a wooden structure has a nostalgic look about it. Roller coasters in general are nostalgic -- and they breed success. Cedar Point has only to look back two years when the Corkscrew was built. That ride was a major factor in an attendance increase of nearly 400,000 persons to just over 3 million guests during the summer of 1976. We firmly believe that in 1978 our new roller coaster will be the most enjoyed, most talked about attraction in the park.

It will bring new visitors, turn every-other-year guests into annual visitors and will generate repeat visits. The addition of this new attraction will give Cedar Point 40 major rides that have a total hourly capacity of more than 75,000 per hour, 12,000 an hour in coaster capacity alone.

Along with 10 attractions and 16 Kiddieland rides, Cedar Point is an action park, a park where guests are encouraged to participate.

In closing, I would like to thank you for your attention and extend an open invitation to you to visit Cedar Point and see the action for yourselves. Thank you.

CHAIRMAN MCKOY: The next gentleman's company is also constructing a giant astronomical roller coaster.

I asked Terry to spend a few minutes to tell us about it. He consented to do so. Terry --

MR. VAN GORDER: I am relatively new to the amusement park business. I caught Magic Mountain in its winter of discontent, 1971. I hopscotched around the United States and Europe to get a feeling of the industry. I sensed that the wooden roller coaster was the granddaddy of the rides and the backbone of the park.

Having done my homework, I rushed home with the Racer at Kings Island. I presented it to the board and talked about the great work of art, a thing of beauty, white timber reaching toward the blue skies.

The Board said, "That's ugly." I thought, well I have got a problem, so I tried again with the steel coaster in 1976.

Magic Mountain's bicentennial gift was the Great American Revolution with the first vertical loop. It was a tremendous success, the excitement you saw with the press on the screen we enjoyed with the press in southern California.

The imagination of going upside down teased southern California; it teased out six hundred thousand additional visitors that year. This was an increase of twenty-five percent. It put our park over three million.

More importantly to you it added a gross of well over seven million dollars before tax. That coaster obviously paid out the first year.

Armed with the triumph, I went back to the Board for the wooden coaster. I got it last year. It is under construction. We will open in the spring of 1978. We called it Collosus. It is so big it defies description.

The principal contractors are International Amusement Devices in Sandusky. The architects are Lawrence and Williams. The consultant is William Cobb, Dallas, Texas.

This project has one hundred million, three hundred thousand board feet of lumber. It will consume ten acres with ease, a twin racer, it will have two falls well over one hundred feet. I want to keep it a secret. We have an armament contest at hand. It will have speeds in excess of sixty miles an hour. I must share with you we feel good about what we are building. We are applying the master control solid state electronics with a fail-safe blocking system.

Incidentally we can get up to five trains on either track and chief capacity of 4,000 people per hour. The tracks are parallel about 4,600 feet long. The ride will be four minutes. We want something fast, want something long.

Why did we pick the particular design? I want to share something with you in working with wood. First coaster approached four million dollars. Contractors are losing their nerves as would-be riders lose their fear. Not only is the price of wood soaring, this is the first coaster to be built in southern California in thirty years.

Historically, California enjoyed some twenty-six different coasters. I was the first rider on the American Revolution. If it didn't work I didn't want to be around to explain to the Board what happened to the four million dollars.

For starting blocks, we patterned Collosus after the great Montaña Rusa at the Chapultepec.

My wife has enjoyed the Revolution seven times and is willing to go again. I put her on the IAAPA tour last spring, and on the coaster at Chapultepec, she screamed all the way and would never get on it again.

We have expanded and tried to take it a little bit out of control. It will be the fifth coaster at Magic Mountain.

As I stand here alone before you, I would like to acknowledge a letter addressed by your Board of Directors to Magic Mountain condemning our park, expressing grave concern and dissatisfaction for our participation in the movie, "Roller Coaster".

I want you to know I am responsible for our decision. I want you to know there was moral agony and philosophical thinking. You will never know what the original script was.

It was demeaning to our park industry. It was carnal. It was sex and dope and winos. We had the opportunity to work with Universal Studios.

They were going to do that movie come hell or high water. They were building and intended to build the set on their lot. We could not stop them from building.

I want to share with you my inner conscience. We greatly uplifted and made a positive contribution to your industry by cleaning up the script of the movie and bringing it a long way.

I sincerely believe any of you who would be in our position, that in your own wisdom you would have seized the same opportunity to enhance the image of the park industry just as we are about to do with the industry.

I accept and respect your judgment but we did it in good faith, and we wound up with a much, much better script than before.

I personally think that is what life is all about, Thank you.

CHAIRMAN MCKOY: We have got some exciting coasters opening up at Six Flags Park. Ray Williams, Director of Operations, Six Flags Over Georgia.

MR. WILLIAMS: Thank you. Because of their tremendous success with the roller coaster in the past, Six Flags in 1978, will embark on the most ambitious coaster program in its history.

For instance at Great Adventure, if one is great, two can only be better. We will celebrate the first full season at Great Adventure with the interlocking shuttle loops; with two, six-car tracks we can treat 2,200 an hour teasing them to the time of their lives.

Six Flags Over Texas' 1976 season saw a development of a brand new wrinkle, inside roller coasters, 363 degree loops. It sounds like a pretty good idea to the friends in Dallas. There was one big question, could the thrill seekers find happiness in one little ole loop

Six Flags Over Texas has come up with the answer. After a journey up a lift, Dallas riders will fling into two exciting loops at 70 feet each. The two-minute journey will be highlighted by terrifying turns at 60 miles an hour. The ride holds an hourly capacity of 1,600.

The Shock Wave is the name of the coaster.

You can be sure the Wave will be felt miles around.

At Astroworld, the Shell Loop was one of the most popular rides in the industry. Greased Lightening, surely a fitting name for the 850 foot thriller, will be revved up to a speed of 58 miles an hours, catapulted forward and backward trip to an 81 foot loop.

Passengers will experience 56 G's coming out of the loop. It is measured 138 feet, making it one of the tallest.

Back home in Atlanta, I suppose we look at things differently. It is a new and growing city, a sophisticated mixture of beauty. Well, we decided to begin our three-acre hillside with know how and imagination, four hundred thousand pounds of steel and three hundred pounds of concrete mixed with care. As a result, travelers will have something to behold.

Forty-four degrees off the lift, speeds of fifty miles an hour, banks of seventy degrees, three hundred and sixty-five foot loops, one stands at an angle completely encircling one of the ones before it; vertical distance of thirty feet. It is a triple loop coaster which will be the world's largest.

We are sure Atlanta and the entire South will thrill in excitement when it is opened in 1978. It is what Six Flags will go to the market with in '78. We have every confidence that it will thrill everyone. Thank you.

CHAIRMAN MCKOY: We do have an arms race on next year; it is going to be interesting. The naming of a roller coaster has become important. We have the Great American Revolution, the Rebel Yell, Screamin Eagle, The Turn of the Century. And each has its own personality and should be named to reflect its personality.

The next promotional staff is going to give away buttons with something catchy commemorating the event. Hopefully publicity will be worn.

In naming our roller coasters, we have over the last five years used the following guidelines; the name has to be simple and easily understood. Number two, it should describe the ride. Number three, it should be extendable. Other things like commemorative buttons, advertising slogans should easily be tied in.

Applying these guidelines to your new coaster, you have got a super name with Collosus. We got our think tank and have come up with a super alternative. It is going to be called Big Mama. I can just hear it on our newspaper ad, "Can you stay on Big Mama for sixty seconds? Can you stay on Big Mama for sixty seconds?"

Our commemorative buttons -- "I rode Big Mama," buttons.

To close out the program, we have got a multi-media show highlighting fifty roller coasters over the United States. It was put on by Six Flags Over Georgia ride department. I hope you enjoy it.

(Whereupon a movie was shown.)

"IAAPA Annual Membership Meeting"
Charles R. Wood, Chairman, presiding

CHAIRMAN WOOD: The 1977 officers of IAAPA will kindly assemble on the stage as called.

Edward J. Carroll, Jr., First Vice President, Riverside Park, Agawam, MA; Robert K. Bell, Sr., Second Vice President, Bell's Amusement Park, Tulsa, OK; Truman B. Woodworth, Third Vice President, Marriott Great America, Santa Clara, CA; Roger J. Shaheen, Treasurer, Shaheen's Fun Park, Salisbury Beach, MA; Robert H. Blundred, Executive Vice President, North Riverside, IL.

Will Robert Blundred, Executive Vice President kindly call the roll.

MR. BLUNDRED: Mr. President, as we have done in the past years, I will recommend that we entertain a motion to use the advance transcript for the 1976 registration for purposes of the roll call. Do you wish to entertain the motion to that effect?

CHAIRMAN WOOD: Do I hear a motion to that effect, please?

MAN IN AUDIENCE: Yes.

MAN IN AUDIENCE: I second.

CHAIRMAN WOOD: All in favor signify by aye?

ALL: Aye.

CHAIRMAN WOOD: Opposed? Carried. Thank you, Mr. Blundred.

Will the officers kindly give their reports. Ed Carroll, Jr., Chairman of the 1977 Banquet Committee. Ed Carroll, Jr.

MR. CARROLL, JR.: Thank you, Charley. The banquet is good. It is in good order. We urge you all to purchase your banquet tickets early. The banquet will feature the entertainment of Al Hirt, the world's foremost trumpet player. If you would like tickets to the banquet, we urge you to buy them as soon as possible. That is all I have.

CHAIRMAN WOOD: Robert K. Bell, Chairman of the 1977 Trade Show Committee.

MR. BELL: Thank you, Charley. Members and guests, my area of responsibility as Second Vice President is membership and trade show. My task has been made easy by the work of the Chicago office. I am a little amazed at the amount of good work that comes out of there.

Jack Singhiser, our Director of Membership, and his wife, Ruby, have done it again. They certainly are a credit to our organization.

We now boast a membership of 955 members.

Grace Urban has done a remarkable job of keeping track of all of the members, the exhibitors and their exhibits. I can say the same thing for our new business manager, Ray Sjolander.

Our Trade Show is the biggest ever. The Trade Show that was expanded last year and sold out has been further expanded and sold out again. It extends clear out of the building into the lawn.

The show is sold out, and there is a substantial number of exhibitors on the waiting list. The International Association of Amusement Parks and Attractions is truly an international organization.

We draw our membership from foreign countries. This year at the Trade Show there are exhibitors from six foreign countries. England is the largest delegation and they have 27 booths.

I will tell you they are going to remember for a long time the year that Charles R. Wood was president. I have just come from the Trade Show floor, and I can tell you it is really spectacular. When you walk in that door, I guarantee it will leave you breathless. Don't be a bit backward about shaking the hand of the exhibitor and complimenting him on his good show. Tell him how glad we are to have him exhibiting, because they are an important part of our organization.

Also wish him every success and cheer him on because he has had everybody and his dog telling him no.

Two words of warning, caviat emptor, let the buyer beware. It is impossible to vouch for the voracity of every exhibitor.

Protect yourself at all times with clear contracts, delivery dates, prices and so forth.

Good hunting. Thank you very much.

CHAIRMAN WOOD: Thank you, Bob Bell. Truman B. Woodworth, Chairman of the 1977 Convention Program.

MR. WOODWORTH: Thank you, Charley. Ladies and gentlemen, we tried a little something different with the Workshops this year; not to have as many conflicting, cut down the number and tried to have them better. It was at the request of you members.

I hope those of you that have attended them so far have enjoyed them, and that you will continue to enjoy them. I think we have a great program.

We tried to have them so they would not be conflicting so that you would be able to see all of them that you wish to.

One thing I would like to tell you; it was also by special request. Most of the workshops are being taped starting with the Food and Young Executive Workshop this morning. And there are the two workshops tonight which will be taped, and these tapes will be available to you tomorrow at the exhibit hall in the lobby.

The price is \$5.00 a tape. Or \$5.75 a tape which would be two for \$11.00 for each workshop.

The tapes that are made on Sunday workshops will be available. Due to the new method of recording, they will be available at the workshop at the close of the workshop. If you want to order more, there is a form.

Thank you.

CHAIRMAN WOOD: Thank you. Roger J. Shaheen, Chairman of the 1977 Finance Committee.

MR. SHAHEEN: Thank you, Charley. Hi everyone. Well this is my finale after five years of office. It should bring a big sigh of relief to Blundred.

Now you can make all the major decisions without me. Should he have grapefruit for dessert?

Down to business; the books are kept on a calendar-year basis. We are only able to project at this time our figures for the end of the year.

Your Finance Committee Executive Board and Board of Directors have reviewed and approved our financial status to date.

Even though the Trade Show and convention are still in progress, we estimate that 1977, will come out to a close break even point.

This is ideal for the non-profit organization, especially after having gone through unusual expenses as the Wharton Report, moving and equipping our new offices, and much legal work with big government.

All in all I am pleased to report that the IAAPA is in a financially sound condition, and the Association can look forward to another prosperous year on your behalf. Thank you for allowing me to serve.

CHAIRMAN WOOD: I would like to report the Resolutions Committee from Charles Canfield. Charles Canfield Resolutions Committee.

MR. CANFIELD: Mr. Chairman, members of the Association and our friends. It is appropriate at this time we pause to honor the memory of the good members who have gone to their final rewards since the last convention. Will you please rise.

IN MEMORIAM

Harry J. Batt, Sr., Pontchartrain Beach, New Orleans, LA
William S. Brede, Concessionaire Products, Inc., Chaska, MN
Mario Brancato, Fairylane, Kansas City, MO
Russell B. Eyrely, Eyrely Inc., Salem, OR
Norman Hesslink, Shure Bros., Evanston, IL
Wallace Hughes, father of Carl O. Hughes, Kennywood Park, West Mifflin, PA

Hattie Longchart, Longchart Amusement, Dallas, TX
Mac Martin, Cedar Point, Sandusky, OH
Jenette G. Ramagosa, S.B. Ramagosa & Sons, Wildwood, NJ
Harry F. Storin, Jr., Riverside Park, Agawam, MA
Dominic Vescovi, Vescovi's Amusements, New London, CT

MR. CANFIELD: Mr. President, I will read a resolution. It is resolved we go on record with a unanimous resolution of respect to the memory of those who have gone from our midst since we last met at our annual convention and express our sympathy to their families and record the same.

I move that the resolution be adopted.

MAN IN AUDIENCE: I second.

CHAIRMAN WOOD: All in favor signify by aye?

ALL: Aye.

CHAIRMAN WOOD: Opposed? Carried.

Mr. Shaheen, Chairman of the Nominating Committee, Roger Shaheen.

MR. SHAHEEN: Your Nominating Committee consisting of the following hard-working conscientious men, Carl Hughes, Paul Nelson, Gilbert Ramagosa and Tom Spackman with Charles Wood. We in an advisory capacity submit the following report:

The Board of Directors have elected an Advisory Board of Director member from the Exhibitor Group. Dwayne Weichman from Chance Manufacturing, Wichita, Kansas, for one-year term.

Elected for the Nominating Committee, John A. Batt, Playland Amusement Park, Charles R. Wood, Storytown, USA, for three-year terms.

Now the members presently vote for new members to the Board of Directors. Your Nominating Committee recommends the following

for three year terms: Howard Berni, LeSourdsville Park, Middletown, OH; Earl Gascoigne, Geauga Lake, Aurora, OH; Harry Henninger, Jr., Kennywood Park, West Mifflin, PA and Robert Howard, Libertyland, Memphis, TN; Marion Knott, Knotts Berry Farm, Buena Park, CA; Paul Nelson, Waldameer, Erie, PA.

We recommend James Patten III to fill the unexpired term of Howard Slusky, who resigned. These are nominees we propose for election to the Board of Directors.

CHAIRMAN WOOD: I would entertain a motion to accept the nominees as listed.

MAN IN AUDIENCE: I second.

CHAIRMAN WOOD: We have a first and second, all in favor signify by saying aye.

ALL: Aye.

CHAIRMAN WOOD: Opposed? Carried.

As your President, I can tell you what an outstanding year it has been and all the things that have happened for the good of the industry.

However, this year I would like to instigate a first, an audio-visual presentation of what the committee under the direction of their Chairman and our staff has accomplished for the membership of the IAAPA.

(Whereupon a movie was show.)

CHAIRMAN WOOD: Thank you ladies and gentlemen. These are but a few of the accomplishments that are performed by our officers, committee, and staff for all members.

One of the outstanding projects of 1977, has been the impact study conducted by the Wharton School of the University of Pennsylvania. I must apologize that the executive summary of the report could not be available for distribution at this convention.

However, it will be mailed to all members in mid December.

The main report which will be available by January 1st at a cost of \$10.00 per copy, and members can purchase as many copies as they desire. Here is what we would like to show you.

(Slide presentation.)

NARRATOR: The IAAPA, recognizing the need for and value of a systematic survey of the amusement industry, at the recommendation of President Charles R. Wood, retained one of the nation's most respected research organizations to conduct such a survey.

The Wharton Applied Research Center of the University of Pennsylvania's Wharton School was empowered to do the study, and to assemble an industry-wide impact report.

The survey was accomplished between February and November, 1977, within strictly limited time and budget constraints.

The study represents the first overview of the amusement industry ever attempted.

By considering the industry as a whole, the IAAPA hoped to learn: the overall size of the industry in terms of gross revenue as well as attendance; the impact of the industry in terms of wages and taxes; advertising expenditures; the financial and cultural impact of an amusement facility on the surrounding region; the employment pattern of the industry; growth expectations, and the effects of the 1974 and projected future gasoline shortages on the industry.

Comprehensive questionnaires developed by the IAAPA and Wharton School were sent to 400 industry members. The Wharton School considered these 400 contacts as a working definition of the amusement industry. The IAAPA is proud to present the major highlights of this study for the first time here in New Orleans: The amusement industry is verifiably big business, with the estimated total gross revenue for 1976 at \$1.3 billion dollars.

Revenue sources were subdivided into four major categories: admission and rides, food and beverages; merchandise for sale; and games and arcades.

Average and total summary figures were computed for each type of park, and each size of park.

Revenue from admissions and rides was the single largest source for all types of facilities. However, while food concessions were the second most lucrative source for theme parks, merchandise sales were the significant second income source for themed attractions and natural attractions.

Games and arcade receipts were tied with food and beverage sales as the second highest source of revenue in ride parks.

These figures represent the average figures for our respondents only.

The study also revealed that an estimated 170 million persons visited amusement facilities in 1976. That figure would seem to indicate that visiting amusement facilities is an integral part of leisure-time activities. All types of facilities reported an increase over the previous year.

The survey confirms the fact that a visit to an amusement facility is an ideal outing for the family for many reasons.

Most amusement facilities are outdoors, thus providing escape from the confines of office, home or school; and sufficient diversity exists in an amusement park to interest all age groups of a family.

The amusement industry poured more than \$95 million dollars into the larger economy -- in the form of advertising. Of this, approximately \$17.5 million was spent on brochures, second only to the money spent on television of \$24.5 million.

The researchers asked respondents to report the total dollar outlay in 1976 for their advertising budget, expressed either as a dollar figure or as a percent of total gross income. Then they converted all responses to the more manageable form of percentage

of gross income.

Here is the breakdown of advertising dollars spent -- and how:

In 1976, approximately \$300 million were spent throughout the industry for capital improvements. It is estimated that between 1977 and 1979, an additional \$900 million will be spent for capital investment.

The amusement industry paid \$152 million in taxes in 1976. Of this amount, \$30 million were paid in local taxes; \$28 million in state taxes; \$50 million in federal taxes and \$44 million in payroll taxes.

The amusement industry employs persons who might otherwise be unemployed -- high school and college-age persons, senior citizens and the handicapped. In 1971, an estimated 82,000 persons were employed by the industry. By 1976, this figure had jumped to 127,000 -- representing a 52% increase in employment.

It is reasonable to predict that employment will continue to rise as the industry continues to grow.

Amusement industry employees are persons of many age and status categories. Executives, machine operators, administrative personnel and maintenance crews are fully and permanently employed within the amusement industry, but the majority of the industry's work force is seasonal, and is comprised of persons who might otherwise be unemployed.

Students, retired persons and the handicapped all work either seasonally or year-round in the amusement industry. Part-time and summer jobs, scarce on the national employment roster, are abundant in amusement facilities.

So, in addition to supplying jobs for skilled personnel, the amusement industry makes a significant social/economic contribution by providing jobs for traditionally high unemployment groups.

The Wharton Study estimates that the amusement industry employs 127,000 persons annually.

In general, employment within the industry has increased by 52% between the years 1971 and 1976.

Because amusement facilities are in the people business, they must also be in the safety business. The IAAPA wanted to establish the safety record of the industry.

The report indicates that only one in 1,300,000 persons will be involved in an accident on amusement rides serious enough to require hospitalization.

Amusement facilities typically host thousands of visitors. Government regulations often affect industries which involve a high volume of persons.

Today especially, the energy situation, environmental concern and heightened consumer awareness play a significant role in the creation of such regulations.

The report gives its findings on the safety of the amusement

industry and how members of this industry perceive government regulations -- both existing and expected in the future.

Ladies and gentlemen, this presentation has emphasized only the major highlights of the study. The results of this comprehensive study make us prouder than ever to be members of this vast and healthy amusement industry.

We not only afford pleasure to millions of people, but we give employment to thousands.

All we need to guarantee the continued growth and strength of our industry is to work together as a team.

An Executive Summary of the report will be mailed to all IAAPA members soon after this convention.

The Main Report is available for purchase by IAAPA members, and copies at \$10.00 each may be ordered now at the IAAPA registration area.

When you receive your copy, study it carefully. It will be to the advantage of every member to review each item in this very important survey.

(Conclusion of one slide presentation and beginning of another.)

This past year has been one of progression and changes for the IAAPA. Physical change, yes. In the case of the IAAPA headquarters office building the physical change was amazing.

On the recommendation of the Re-Evaluation and Advisory Committee, the IAAPA headquarters was moved from its cramped, second floor walk-up in Oak Park, Illinois to a more modern and efficient location in North Riverside.

Those offices, designed for optimum efficiency, were created from virgin space on the third floor of the Clyde Savings and Loan Building.

The view improved considerably, too. From the windows, one now sees trees and sky instead of bricks.

This new location reflects the increasing professionalism of the IAAPA.

Another important change took place this past year. The IAAPA logo, which was effective for many years, was redesigned. The new logo captures the flavor of the industry as well as the clean, streamlined look of the day. It was designed by Leisure and Recreation Concepts of Dallas, and this new logo enhances all IAAPA printed material.

These changes appeal primarily to the senses, but another new project this past year appeals to the intellect.

IAAPA President Charles R. Wood, realizing that figures and statistics are the name of the game, proposed a study of the entire outdoor amusement industry that would put hard facts at the fingertips of all members. And these days, no one can dare be on the wrong side of the facts.

The Wharton School of the University of Pennsylvania was retained to prepare an impact report on the industry. This is the first such study ever undertaken by the IAAPA, and it represents a considerable investment, both monetarily and in staff time.

Results of this study not only will be invaluable for government testimony, but also will serve as a solid foundation for future studies.

The IAAPA Telephone Directory was reprinted this year. This directory puts the name, company affiliation and spouse's name of all IAAPA members in one easy-to-handle book. The book was set in type so that it may be updated and reprinted annually as an economical, continuing membership service.

Including a record 206 pages of advertising, the IAAPA MANUAL & GUIDE has steadily grown in size over the years. Called an invaluable reference source by members, the MANUAL & GUIDE keeps the names of suppliers and exhibitors handy long after the trade show exhibits are packed away.

Because the MANUAL & GUIDE is published as a membership service, a committee headed by Carl O. Hughes of Kennywood Park was appointed to review the complimentary distribution of the publication to various non-members. Resulting from the committee study, a more tightly controlled circulation will help offset printing costs.

ACTIONNEWS, the monthly members' newsletter, was given a new look this past year. At no additional cost to the Association, ACTIONNEWS is now printed commercially and bound together in booklet form for better readability. Formerly the newsletter was mimeographed in-house.

The IAAPA is also undergoing some modernization at the corporate level. The IAAPA Constitution and By-Laws are being revised to insure the best and most efficient governing possible.

Duties of the Treasurer have been assigned to the Immediate Past President because of the close exposure to Association financial and budgetary matters an officer gains during the ascension to the presidency. Under the guiding hand of 1977 Immediate Past President Treasurer Roger J. Shaheen, new accounting and record-keeping procedures have been put into effect.

A new dues structure, resulting in an increase for some members, will be in effect for IAAPA active and associate members beginning January 1, 1978. The former dues structure, in effect since 1969 was no longer adequate in light of increases in legal expenses, membership services and additional staff members to accommodate the increased membership.

Bob Blundred was recycled this past year. No longer Executive Secretary of the IAAPA, Bob is now Executive Vice President. Bob has been with the Association nearly 14 years although he has had a growth on his left ear for all that time -- a telephone.

If all the letter over his signature during the past 14 years were recycled, the Washington Post would run out of scandals before it ran out of paper to print them on.

As the IAAPA has grown in stature and membership, financial

and general business matters have also increased. Again, at the recommendation of the Re-Evaluation and Advisory Committee, a new staff position of Business Manager was created. Ray Sjolander was carefully selected to fill this position.

Ray is the second male now at IAAPA headquarters. He has sound financial and accounting background, plus a sense of humor. Also a strong back. Former assistant manager of cash disbursements for Blue Cross/Blue Shield of Illinois, Ray has taken over Association accounting and related procedures, and is working closely with the IAAPA Insurance/Safety Committee.

This convention time you've seen Ray running around the exhibit hall as trade floor manager. His first major assignment was the research of new office space.

The Insurance/Safety Committee, chaired by Stanley Nelson of Joyland Park, has been active in a project involving the American Recreational Equipment Association, AREA, and the Outdoor Amusement Business Association, OABA. The IAAPA Committee is investigating the possibility of cooperating with the other organizations in the development of standards for the manufacture, maintenance and operation of amusement rides. Committee recommendations on this important subject will be presented to the full IAAPA Board of Directors.

The true strength of the IAAPA was demonstrated recently when members, officers and the Government Realtions Committee, headed by Joe Malec, Jr. of Peony Park, joined forces to defeat a proposal that would have eliminated the exemption from provisions of the Federal Wage and Hour Act now enjoyed by the industry.

Bob Blundred literally spent hours on the phone and in Washington, and the IAAPA office sent mailings to all members regarding the minimum wage exemption threat urging their action.

At the recommendation of the Scholarship Committee, headed by First Vice President Edward J. Carroll, Jr., the IAAPA has established a \$2,000 annual scholarship for the University of Utah in memory of the late Robert E. Freed. This change in the IAAPA scholarship program has saved thousands of dollars in administrative fees.

Projects of the IAAPA Public Relations Committee, chaired by Carl O. Hughes of Kennywood Park, have continued to result in positive coverage of the industry as well as ongoing membership services.

The committee produced an 8-page color brochure calling attention to the limitless possibilities an amusement facility setting can offer for print and broadcast advertising and motion picture locations. This brochure was mailed to nearly 9,000 creative directors of advertising agencies as well as editors and motion picture producers.

PR Committee Vice Chairman Boyd F. Jensen of Lagoon Corporation is coordinating production of the second in a series of How We Do It cassette/slide training aids. The 1977 topic is Motivation of the Seasonal Employee.

And PR Committee member Ed Stone of Opryland USA is handling the final stages of updating the IAAPA Fact File

Perhaps the best indicator of growth is the IAAPA membership roster itself. This past year 236 new members joined the fold for a record total of 939. This growth reflects not only the expansion of the industry, but the importance of the IAAPA as well.

The annual Summer Meeting provides an ideal opportunity for members to see how other parks operate and get a true-behind-the-scenes look by attending lectures given by various department heads. The 1977 Summer Meeting was grandly hosted in California by Marriott's Great America, home of Third Vice President Truman Woodworth.

This presentation has highlighted some of the changes in the IAAPA as well as some of the benefits of membership. But much more planning and work is accomplished, thanks to all IAAPA Committees and the staff, that hasn't been mentioned. For example, this convention and trade show have been on the drawing board for over a year.

Exhibitors are reached by the Invitation to Exhibit Brochure, and attendance at the show is heavily promoted by the Invitation to Attend direct mail piece and ads in the trade press, all produced by the IAAPA. In addition, such publications as the Employee Manual and Promotion Scrapbook are available to members. This past year, A Study and Compilation of Amusement Ride Safety Provisions was available from the IAAPA office.

Meanwhile, a staff of veterans continues to follow through. Office Manager Grace Urban coordinates the trade show and is editor of the MANUAL & GUIDE.

Dorothy Dyra handles new memberships and assists with book-keeping duties and trade show matters.

Marianne Kroeger does the writing, including ACTIONNEWS, and works closely with the PR Committee.

Gert Yeadon performs a wide assortment of jobs -- wherever needed.

Helen Haas is Convention Registration Supervisor.

Lou Ann Koop is Secretary-Receptionist.

What does the coming year hold in store for the IAAPA? We don't need a crystal ball to predict a great year -- if we all work and fight together -- working as one to reach our goals, and fighting as a team to protect our rights. If we do that, we can add these alphabetical elements to IAAPA.

Our organization will be a stronger force in our Industry. Next, we shall move forward. And to begin that Action, we must display Aggressiveness. And we can only do that in Partnership. Our togetherness during the coming year will then add Accomplishment.

Our industry is healthy; it is stable and growing; it is profitable. But most important our industry provides a commodity hard to find today -- wholesome family entertainment. We create laughter; inspire imagination; offer an escape to fantasy.

We must always look ahead, strive to improve, set higher

goals. Alone we are strong, but together we are so much stronger.

CHAIRMAN WOOD: Ladies and gentlemen, I trust that the slide presentation has given you an insight into the vast wealth of information that will be available to you when you receive your copy of the Executive Summary and purchase your copy of the Main Report.

Regardless of what category your parks fall in, you will be able to compare your figures with the average figures of a similar operation in the industry. For example, you will be able to compare your advertising expenditures with the average expenditures of a similar operation.

The wealth of information is priceless. Thank you.

I would like to thank Mr. John Palmer of the National Speakers Bureau for the excellent slide presentation that you saw today.

Now I would like to ask the membership if there is any unfinished business to bring forth.

Is there any new business?

DOC FIRESTONE: Last year at this particular meeting I made a statement and I am going to repeat it for the benefit of those that were not here last year.

This convention is not one day's work, not one years' work; it involves a lot of people including the officers, the directors, and the entire staff of Bob Blundred and the Committees.

At this time, and I think I represent those that are sitting here, we would like to show, to give you and those mentioned, a standing ovation for what you have done to make the convention a success. Thank you.

CHAIRMAN WOOD: Thank you, ladies and gentlemen. It was very thoughtful, Doctor. I would like to call on Boyd Jensen. He has a little message.

MR. JENSEN: You were scheduled to see a tape slide presentation on Employee Motivation and circumstances precluded showing. We will not be having that at this time. Thank you.

CHAIRMAN WOOD: Ladies and gentlemen, I would like to take a moment to pay tribute to the memory of Harry J. Batt, Sr. who passed away on November 7th in Hong Kong while vacationing with Margaret.

Harry Batt, Sr. was a moving force in this great host city of New Orleans. He was also very active in the State of Louisiana. A past president of IAAPA, and for many years he acted as chairman of the Government Relations Committee. It was during this time that the Association gained its first exemption from the Federal Wage and Hour Act.

Fellow members, I would appreciate if we would stand and have 30 seconds of silent prayer.

If there is no further business I will entertain a motion to adjourn.

MAN IN AUDIENCE: So moved.

MAN IN AUDIENCE: Second.

CHAIRMAN WOOD: I have a motion with a first and second and all in favor signify by aye.

ALL: Aye.

CHAIRMAN WOOD: So carried. Thank you.

... The What's New Theatre and Annual Membership Meeting were adjourned at 3 p.m. ...

MARKETING WORKSHOP

FRIDAY, NOVEMBER 18, 1977

MARDI GRAS BALLROOM

The Marketing Workshop convened at 3 p.m., Sandy Quinn, Marriott's Great America, Santa Clara, CA, presiding.

CHAIRMAN QUINN: I'm Sandy Quinn, and I'm Vice President of Marketing for Marriott's Great America.

I want to welcome all of you to our Marketing Workshop. I think we've got an interesting program. I hope a little unique. We are going to have a film festival. We are going to show you a selection of television commercials from the industry and we've also asked for your questions and some of you have been kind enough to submit them so that our distinguished and crack panel can address themselves to it, and I want you to meet them.

We have truly some of the great authorities in the business. We've kept the lights low so you can't identify them; I can't either.

They too have gathered here at considerable expense and inconvenience. As my boss says, there is nothing more important than marketing. It really starts for all of us at the front gate. That's something that no matter what size park we have, we do indeed have it in common. There really isn't anything, I think, that we could address ourselves to during this convention more than how to improve our own marketing. I tried to put together some people who really have some credentials and track record and expertise in the area and I want you to meet them.

Dean Ayers is the first one. Dean is here replacing Monty Roberts, who many of you know. Monty spent the last ten years in marketing for Busch Gardens, for Anheuser Busch. He was on the IAAPA Board, and just last week moved from the Busch Gardens group. They promoted him Brand Manager of Busch Beer, which certainly proves the theory that many of us have that sooner or later this business will drive you to alcohol.

Dean Ayers is the Manager of Marketing Services for Busch Gardens Parks, based in their head office in St. Louis. Please welcome Dean Ayers.

The next is Eddie Carroll who is President Elect of the IAAPA.

Eddie is a graduate of Georgetown University. He's a lawyer and now General Manager and Director of Marketing at Riverside Park, the largest amusement park in New England. You may wonder why a lawyer is head of the largest amusement park in New England and how you can go from law into amusements, but Eddie's certainly not a pioneer in that, other lawyers have gone on to other pursuits in other areas, John Dean, John Erlichman, Richard Nixon, they are all doing amusing things of one kind or another.

Eddie Carroll.

One other commentary on Eddie. As he tells the story, Eddie went from ride operations to general manager in a week, which is the result of a lot of hard work and the fact that his father owns the place. Another typical American success story.

You know, it's funny, those of us from these bigger parks who come to these meetings we think we've got big attendance and everything and the guys from the little parks I think really have the last laugh because they own their places, they are driving Mercedes home from this thing.

Next is George Delanoy, Vice President of Marketing for the Six Flags parks since 1971 and before that a distinguished career with Hunt Wesson, Purex, J. Walter Thompson in New York. He attended Rutgers and the Wharton School, and he's really heavy so I can't kid him.

George Delanoy.

MR. DELANOY: Parks in Dallas, Houston, Atlanta and Great Adventure.

CHAIRMAN QUINN: And Bill Bieberbach who went to school in Rollins College in Central Florida, in Winter Park, where he learned golf, tennis, finance, then on to Walt Disney World where he was in the finance division and later in marketing, then Taft Broadcasting where he is today Director of Marketing, Director of Research and Development for the amusement park group.

Bill Bieberbach.

Finally, Ray Canady, Director of Marketing for Opryland in Tennessee. Ray has been there for six years and prior to that, a very distinguished career in advertising.

Ray Canady.

The first thing we are going to do is get into these T.V. commercials, but at the intermission and a little later, after the T.V. commercials, we are going to go through some of these questions.

I want to read some of them to you to kind of whet your appetite and get you to perhaps think of some others that you'd like to ask for this panel to talk about because I think it's kind of interesting stuff.

Number one, how do you write a marketing plan? A simple, easy to follow, easy to accomplish marketing plan? What's the trend for sponsors in our business? Are they walking out on us; are they abandoning parks? How can I sign up more sponsors? Why

did Taft enter the competitive L.A. market? Gary Wachs wants to know that.

It's his question. We will get into that Gary and give you some answers. What happened to Great Adventure? Bill Dawson wants to know that.

What changes are going to take place? What is Fortune Magazine up to? What are they doing to us? Why did you fire your ad agency? That is aimed at Busch Gardens; they just let go Gardner Advertising. How could our industry get more national press? Will more advertising increase my attendance? That's one I want to hear the answer to. What portion of my gate should be discounted? Are we becoming a discount business? As the population of the U.S. grows older, how does this affect our industry?

Should we handle research internally or from outside firms? How can we and should we test our television commercials? What's the best compensation arrangement for an ad agency? And on and on, I think they are pretty good.

The main part of our program though is a feature film. We're going to the movies this afternoon. We have an excellent selection of T.V. commercials that we gathered from the whole industry. We are presenting a film festival because there is probably no bigger expense than any of us have in our marketing budgets than advertising. And there is probably no bigger expense within that than television.

Television is as influential as anything we can use and likewise it's as expensive as anything we can use. It probably impacts more, I think it's easy to say, the front gate, than anything else we do. We can't afford to misdirect our advertising, both from the media buying standpoint and from the kind of creative message that that advertising articulates. I think we can learn what others do and what others in our business have put on tape, so we are presenting the first annual T.V. commercial film festival in the hopes that being marketing guys, being optimists, that this will be so well received and beneficial that we will continue it year after year.

While you're watching these spots you might try and sort out in your own mind the difference in impact and say those who use thirty-second commercials and those who use sixty-seconds, keeping in mind the difference certainly in cost and frequency, notice that we have all kinds of spots represented. Some are aimed at adults; some of them are aimed at teens; some of them are aimed at youngsters; some deal with the announcement of new rides, new shows; some talk night time; some talk special promotions; some of them effectively use music and jingles and others don't; some keep that music year after year after year for consistency.

We have set up these monitors here and the advent screen over here. (Indicating.)

I hope you enjoy these and benefit from the experience and then after a few minutes into it we'll take an intermission and get into some questions.

(Whereupon there was a film presentation.)

CHAIRMAN QUINN: We have some more that we are going to show, that

we are going to wind this up with, in a few minutes but we thought we might into a few questions.

I wanted to kind of start it off, after seeing all those and knowing how much it costs to produce them all, I really think the guy that thinks up modular T.V. commercials for all of us and makes them just so we can put our name on them and all of us don't have to go to that fortune of television production, is really going to do very well. We need an entrepreneur like that. Some of these questions I would like to get right into and one of them that may interest a lot of us has to do with how we can get television in our parks, T.V. productions.

Ray Canady of Opryland has had considerable success with that with his team at Opryland, they have gone everywhere and they have had all kinds of shows originate and they have even taken a show to Russia and taped it there and brought it back over here. So, the question was, how can I get a T.V. show to come to my park and originate a production.

Ray, can you comment on that?

MR. CANADY: I can. As a matter of fact I can give you one guaranteed way to do exactly that. Call us up on the telephone, pay us thirty thousand dollars, and we will bring Nashville On The Road to your park for a week. That's not the answer you were looking for, but it's a very, very good answer. There are other answers.

You have some things to offer. Number one, you have sets already built and when you're talking to a T.V. producer you can say, "Hey, we've got sets all ready and you don't have to spend a lot of money on sets." You have talented young people, at least we have talented young people; I hope you do, who can do various things in the park.

What you mainly need is an idea. Television is an insatiable monster; it grinds up television shows at an astonishing rate. Just figure three networks, figure four hours a night times three times seven times fifty-two, and you see how much television has to be produced. This would work for a small park as well as a large one, but if you're too small to do it on your own, maybe your area has something. If you have an idea that relates to entertainment, history, special events, that relates to something that is newsworthy at a given point in time, you can do it. I'm sure you all have some kind of festivals, you have special things going on, and all those lend themselves to packaging for television.

One of our theories is to shoot big and to try always to do very big things. There is a danger in that because more often than not you'll flop. But that's all right, go ahead and flop. You do that in the dark; nobody knows about it. If you try enough big things, every now and then you'll surprise yourself in one of the really monstrous things that was about a nine-to-one shot will come in anyway.

For example, we worked on the Russian show thing for eighteen months before we finally put it all to bed and we had people like the U.S. Government, the Soviet Union, the State of Tennessee, Opryland, Tennessee Ernie Ford, a whole bunch of people cooperating finally before that thing really happened.

You can do some other things, not shooting quite so high. There are shows that are looking for your site. Normally it will involve your spending some money. The Today and the Tonight shows occasionally go to places. If you have any ideas, don't be timid; send them on in and say, "Why don't you cover this? Why don't you cover that?"

You can do the same thing with shows like Mike Douglas, Merv Griffin, Dinah Shore, and if you have ideas they like and if you have some reason and if you can put together a budget to at least compensate them for the incremental costs they will have over doing the show in a studio, you've got a pretty good shot at it. And the best thing to do, of course, is to call us and have Nashville On The Road come to your place, which we would be happy to do.

CHAIRMAN QUINN: We ought to get at this Great Adventure question, George, and get it over with. What happened at Great Adventure? What changes are going to take place?

MR. DELANOY: First of all, I can talk maybe more about some of the changes that are going to take place. Most important is the fact that we are going to add some major rides to the park.

One of the problems in the park in recent years has been a lack of major, marketable rides. And Ray Williams, I guess, in the earlier presentation talked about that. At Great Adventure, one of the important things that we are going to do is just change the park in terms of adding more capacity and more entertainment value. By that I mean major, marketable new rides.

Secondly, increase the show capacity, which we feel the park needs and then the other kinds of things that we need which we call park ambiance, from the standpoint of the park itself. We will have major changes also in the marketing approach. We can't talk about the details of that right now because we're in to marketing planning very deeply at the present time. We'll probably have our marketing plans finished in a few weeks, but we will make a major change in the way the park has been marketed.

CHAIRMAN QUINN: Why did Taft enter the competitive L.A. market? Bill Bieberbach?

MR. BIEBERBACH: That's a good question. I asked myself that. Seriously, we took an option to buy Marine Land for thirty days to study the project. Our basic concerns were one, we're getting into probably the most competitive theme park area in the country and we wanted to find out if we were to make just small gains and small capital improvements, minor market improvements, would that substantiate our investment, and through a thirty-day study, we came up with the answer "yes".

We now have closed the park; we're making those capital improvements and we hope to reopen in the spring of this coming year. But basically it was a marketing decision. There is some history related to the Hanna-Barbera Company which Taft Broadcasting owns, and we have been looking for a vehicle to have greater awareness and emphasis placed on Hanna-Barbera and this is one approach to that.

CHAIRMAN QUINN: I've got another one for you, Bill. What portion of annual expenses for a park should be spent on marketing?

MR. BIEBERBACH: You know, it's interesting. I worked at Disney World and there they spent less than one percent on direct marketing costs. They also, I should add, had a publicity department that is half the size of this room. It varies, I think, with each application.

At our parks, I'd say we are the regional theme parks, we are somewhat traditional and we spend between eight hundred thousand and 1.2 million dollars in media. You convert that to about eight to twelve percent of our gross. I don't think that's important; it's what you do with what you want to spend. It goes back to a marketing plan at your dimension and what are your objectives.

This past year, at King's Dominion in particular, we decided on a strategy of moving out of the B markets, B markets being those outside of a hundred and fifty miles and centralizing on the A market. This year I think we will go in the other direction and spend a little more time in the B markets which we had great success in and hopefully have a wider exposure.

CHAIRMAN QUINN: Okay. George Delanoy, what portion of a park gate should be discounted and are we becoming a discount business?

MR. DELANOY: There is no real good answer to that, you know. A discount is a tactic as related to a particular strategy. I know a lot of people look at our business and say, "You guys do a lot of discounting." Let me give you an example of what I mean in our case of a tactic and a strategy. Still, almost everything we do should be able to fit a strategy.

A strategy that we look at is, "How do we grow each year? How do we get people to come to our park?" -- and that is really the beginning of our marketing plan. And that can be either geographical in the sense that Bill is talking about as to where do we spend our ad dollars. We're going to add new A.D.I.'s. It can be demographic in terms of getting more business from kids or adults. It can be what we call, as you all know, repeat business versus trial. That is people coming to the park for the first time who haven't been there for several years or can we get people to come back many times in the same season.

When we talk about repeat business, it's not people who are coming each year but it's people who come several times a year. And so it's within that context of growth and where do we get the growth that we look at different types of programs. Something that the industry uses almost throughout now is the McDonald's sneak-a-peek, which on the one hand can be looked on as a discount program.

Actually, you all probably know, that started at Six Flags Over Georgia and I think it was 1973, at the same time that Earl introduced the Great American Scream Machine. The strategy at that point in time with that particular promotion was to, through research, determine that as of a certain point in time, we got a certain percentage of our business. So we were saying, "Let's try to hype the spring with a promotion giving us more opportunity for repeat business." And that was really the strategy behind the McDonald's sneak-a-peek, with very deep discounts at the front of the year, but with the anticipation on our part that we could get those people back a second time.

Now that was tied into the introduction of the Great American

Scream Machine, which was not open during the McDonald's sneak-a-peek. Sneak-a-peek at the new coaster and when it came out the coaster was not yet ready and we did get them back. That's just a discount program.

Sandy, it's a long way around an answer. If you look at several of our programs -- season's pass, for example, we deeply discounted tickets. Someone can buy a season pass for \$24.95, unlimited usage, and they might come six, seven, eight times during the year. That is a deeply discounted program unless you look at it in the terms of strategy and do we really affect people's visitation to the park and we think we do. We see people come to the park more often. So our position on discounting is that it's a tool.

If it's going to affect strategy or affect visitation, we have no particular compunctions about discounting. But discounting per se is not something that we're interested in, and nobody is, just to go out and discount our front gate.

CHAIRMAN QUINN: Okay. We have a couple more before we show the remainder of that reel.

Does anybody want to try one from the floor?

MR. BOB MAXWELL: I'm not a park. I'm Bob Maxwell from Maxwell Water Shows and we have the honor of working at Great Adventure in some water shows.

I want to give you some information on television because we produce the A.B.C. Wide World of Sports, the Acapulco cliff diving championships and about four or five high diving championships a year. We had the honor of working at Great Adventure about three or four years ago in doing the network shows up there, and we negotiate, and we're trying to negotiate with the -- approximately twelve parks that we work with to bring these three A.B.C. network shows to a particular park that has either a dolphin pool facility or a swimming pool facility and we are working on that right now.

Those three shows bring an estimated twenty-five million people per show nationally so that particular package of three brings seventy-five million viewers to a park. Now, the park has to figure out, do they want to go into the complete national market with that type of promotion and advertising, or do they want to put their money into a local area.

But the point is, you can go directly to the networks with an idea. For instance, Wide World of Sports has what they call "bastard events" -- such as wrist wrestling and all sorts of odd events. If you get to the local promoter of that event, like for instance wrist wrestling, you can invite them down to Six Flags or to Great America or any other park, and pay them a small fee, it could be between five thousand and fifteen thousand dollars to bring it in, create a whole sports week around it and on top of that pick up twenty-five to thirty million viewers.

You can get those people by contacting the American Broadcasting Company or C.B.S., their Sports Spectacular; they will give you a list of the producers of those events who are also looking for an avenue to come directly to your park. So there is another way of getting television into your parks with sports programming of those types of events.

There are other things too. For instance, Dick Button, the Olympic ice skating champion, is the creator of Super Stars, and Super Stars is always looking for new venues. For instance, they went to Callaway Gardens last year, and if you contact these local television producers or entrepreneurs of sporting events, you can actually ask them to come to your park and they certainly will listen to you, because I've been looking for a park to put three national shows in next April and I've yet to find a park. Thank you.

CHAIRMAN QUINN: Thank you.

There was one gentleman in the back there?

MR. IRV POTTER: Irv Potter from Riverside Park. How can a traditional amusement park adapt a theme park's marketing program for their own personal use?

MR. AYERS: I don't think there is that much difference between the marketing plan that George Delanoy would prepare for Six Flags, or any one of us up here, compared to a smaller regional park. I think the basic thing you have to know is where your people come from, what areas? Are you truly a local park or are you drawing people from out of state and from other parts of the country? Once you know that and some demographic profile of what the visitor is like, his age, his income, how far he's traveled to get to your park, I think it's very adaptable, almost directly adaptable and I don't think it's that different.

MR. DELANOY: We've run two museums, wax museums, in addition to five major parks, a wax museum in California and Stars Hall of Fame in Orlando. Stars will draw about between seven hundred and seven hundred and fifty thousand and Movie Land about nine hundred fifty thousand. In one sense they are a lot smaller attraction, per cap spending is less, and yet we try to apply the same kinds of discipline that are basic. That, one, timing, getting this thing done in the right kind of time. In our case it's November 1st, or so, so that we are ready to execute the following year by November 1st. And that's true now of our wax museums. The same kind of things we are talking about regarding strategy, who's the growth target and some segmentation, and those kind of things.

So we are doing the same things with the wax museums that we are doing with the major parks.

CHAIRMAN QUINN: Sir?

MR. DON THEOBALD: Don Theobald with Santa Cruz Beach Boardwalk. I have a kind of a consensus question that I would like to ask and that is concerning television. I think most of us agree that television is probably the most powerful medium we can use and I know that many of the people here are appalled by the costs involved in it. Can we just get kind of an idea from you people on the panel, what you feel as far as television is concerned, what is your percentage of your media budget that goes into television and what do you feel you have to have out of that television for production -- how much of a percentage for production.

I think a lot of people who even want to buy television scream when they start looking at production bills. Do you establish any percentage amount of your television media production for television only?

MR. AYERS: I'll jump into that with a couple of comments. First, any kind of average figures would be almost worthless I'm afraid. The first thing you need to do, I think, is to figure that buying advertising is like buying a plane trip. If you want to get from New York to London, it does you no good to buy a ticket ninety-eight percent of the way there because you're going to die because you missed it by two percent. That's true with production too.

It would seem to me that if you don't spend enough money to do justice to your operation, don't spend any, because the medium itself isn't powerful; it has power that can be utilized but if you don't do the right thing it won't help you very much. As a guideline, we will spend -- our finance heart beats to live music, which you can listen to and shows that you can see, so television is extremely important. We put ninety-five percent of our advertising budget into radio and television and about eight percent of that into television.

And we'll spend anywhere from five to six thousand bucks apiece on a commercial and we're only able to do that because of footage we have already and because we produce a whole pool of commercials at one time.

MR. BIEBERBACH: It's interesting, at Taft Broadcasting we have television people and I tell them they cannot continue the spiraling escalation of costs and we are going to get even with you and they laugh, so I don't know where that is going to go.

We have spent -- as you notice, in the King's Dominion, King's Island commercials, we use Dick Van Dyke. We parlayed him where we were able to get the benefit -- he filmed usually most of those at King's Dominion, and we shot them for both parks, since they are sister parks they have comparable facilities, facades, etc., we were able to parlay his experience and reduce those costs. I think you're looking at these commercials, roughly about twenty thousand dollars apiece, depending on when you shoot them. These were shot outside of season. We had to bring people in as a backdrop to actually show it as if the park were open, etc.

The five-after-five commercial, maybe two thousand dollars, so it varies widely.

MR. CARROLL, JR.: What we try to do is determine which medium is the most effective for us before we determine percentages of our marketing budget at all. And you have to do some research to be sure that what you're doing is in the correct medium. At Riverside Park our television is about eighty percent of our budget and that is determined through research. We try to find out which medium is most effective to our customers. We do that through our own research efforts, our in-house research teams.

We try to get away as inexpensively as possible in each commercial too, and we take advantage of existing tape, existing jingles and I would say that our budget for production is significantly less than the ones you just heard.

MR. AYERS: We are a little bit different on the percentage that we spend on television. We spend probably between twenty and twenty-five percent of our media budget on television. There is a simple explanation for it; it's not that television doesn't work, we are basically destination parks and draw from people all over the United States as opposed to primarily a local audience. There-

fore, because of the number of markets that we would have to compete in, television becomes impossible to handle. The costs would be astronomical, so we use print and radio in those markets. All television is locally done; it's all locally used.

MR. DELANOY: You really can't generalize. For example, I mentioned about wax museums -- I guess it's important to try to be efficient in television production, but it's also to create a vehicle, that's the most important thing you've got. So, on the one hand, you're spending a lot of money on media but unless you've got the message really properly communicated, forget all those media dollars. So, sometimes it's really false economy to try to cut too much in your production budget if it's really going to effect that creative end result.

In the case of Six Flags, we're primarily into T.V. It's a very visual medium that we sell, the parks, and so maybe seventy-five, eighty percent of our dollars go into T.V., the rest for promotional purposes and some print.

CHAIRMAN QUINN: Another question?

MR. GEORGE KLEIN: I'm George Klein, Libertyland, Memphis, Tennessee, and I'd like to know in general the consensus opinion of the panel in general, what's the maximum that you would discount your front gate ticket percentage wise?

MR. AYERS: Well, we're stingy so we won't give you much help on that thing. The biggest discount that we have had in the whole 1978 season was two dollars off. That sounds like a whole lot, but if you figure that that was two dollars off for coming after five, which means you're paying more per hour than you paid if you didn't get a discount, you can see how stingy we are.

Our front gate is seven fifty, so two bucks off, if you're a good mathematician you can do it, I'm not.

MR. BIEBERBACH: We're about twenty-seven percent, I would say. Our front gate at King's Island and King's Dominion is eight fifty and we've gone two dollars -- that's been our deepest discount.

MR. DELANOY: The deepest discount at Six Flags would be fifty percent; it would be a two-for-one kind of deal, two for the price of one. And that of course is limited in the same way that Bill was talking about, it's an evening ticket price after five o'clock, a very special, one-night deal.

MR. CARROLL, JR: At Riverside the maximum -- the deepest discount we use is around twenty percent and how do you determine that? What you can do without federal trade implications, you can call everybody that's in the entertainment business -- in our case we call the Red Sox, the Boston Bruins, the theatres and find out what are their discounts because they have group plans just like you do and you should try to be in that average. You shouldn't be too much greater than or too much less than people in the entertainment business in your market area.

CHAIRMAN QUINN: Okay. One last question and then we'll finish off T.V. commercials, and that question is, "What is Fortune Magazine up to?" -- and I think a lot of you know that Fortune Magazine, the financial monthly, is doing a story for the December is-

sue on the theme park and outdoor attraction industry. It's my understanding that it's a cover story and will be out on December 1st, and I haven't the slightest idea whether it's favorable or unfavorable.

However, if it's a cover story, I would personally be inclined to believe that it would probably be more positive than negative. If they are going to give that much emphasis to our industry, I don't think they would put it on the cover and then shoot it down in the editorials. There's a lot of photographs. I think the cover is several photographs of various rides in the parks. I don't know which ones, but there is a pretty expensive layout on the inside, so I think we all look forward to it eagerly. It will be out on the 1st.

(Whereupon there was a film presentation.)

CHAIRMAN QUINN: That concludes our workshop and I want to thank all of you for sitting through it, your patience, and I hope you felt it was worthwhile.

I thank the panel for coming and I thank all of you.

... The workshop was concluded at 5 p.m. ...

ENTERTAINMENT WORKSHOP

FRIDAY, NOVEMBER 18, 1977

LA GALERIE I AND II

The Entertainment Workshop convened at 8 p.m., Walter Heeney, AMUSEMENT BUSINESS, Nashville, TN, presiding.

CHAIRMAN HEENEY: The first speaker tonight is Gasper Lococo from Geauga Lake, and he is no stranger as you in the Association know. He was with Cedar Point 20 years ago, and for the past 10 years he has been with Geauga.

He is in charge of almost everything that goes on in the park including the entertainment. He is going to talk about the 1977 package.

MR. LOCOCO: We are going to start out with a short film, but I want to give you an explanation about it.

We produced it ourselves, and since we will only use it here, we did not want to put a lot of money into the film. I think we will stick to the amusement park business, rather than film production.

We have two theaters at Geauga Lake. The new Palace Theater seats 650 people, is completely air conditioned, and carpeted, wall to wall.

It was the old fun house, and for \$150,000 we remodeled and converted it to a theater.

This next one is a goldrush theater. It is an open air, western-type barn with a banjo player and a strictly western show.

Then we have our puppet wagon. The Kroger Company converted an old covered wagon to a puppet wagon. There are basically three entertainment places.

These are the characters, and we had our rock band, fun band, and dixieland band with a total of 37 people in a live show.

The total budget was \$100,000 which included wardrobe and a part-time summer director. We go to art schools or places where they are music-oriented to pick a live show director.

The kids talked me into trying a rock show and eventually we did four regular shows and four rock shows.

We try to hold auditions during Spring vacation to catch both the high school and college students.. We hold the tryouts on two weekends. We run ads in the newspaper and write to the band directors, choir directors, almost anybody in the entertainment field. Our campaign is basically oriented to the high school student, but we get a few college students.

As for our costumed characters, the character costumes were designed by Scollon Productions. We have four characters and three sets of costumes that we use quite a bit. Various community groups want to use the costumes for parades or outings, so we have one set that is out constantly. The second set is out about 50% of the time. We have so many requests for our characters, we may need a fourth set.

We have six shows daily at the Palace Theater, and we have eight shows at the Goldrush. There is a puppet show every hour. The Roaming Band starts everyday fifteen minutes a day, 11 to 7. After 8 p.m. we don't have much entertainment.

We do not use any outside entertainment, and we hope to expand our shows 25% next year. Thank you.

CHAIRMAN HEENEY: The next speaker is Ed Johnson, Executive Vice President of Paramount Sound Systems.

MR. JOHNSON: I have a couple of slides if we could get the lights down. All of you are faced with the scourge of the park sound. What can you do with it? Few people can describe what they really like or in fact what they need. Audiences have better sound in their car stereos than they often hear in live entertainment systems.

We have developed several stages of sound system philosophy that alleviate some of the traditional problems present not only in parks but also in all sound application. These fall under three categories: Pre-installation design, system installation and training.

First, pre-installation. Entertainment systems in parks follow three categories, live shows, pre-recorded entertainment and name entertainment. To suggest that any one sound system could do all things would either indicate ridiculous cost or unacceptable performance. A 'PA' type system does not work well for music. By the same token, media or playback only systems are not acceptable for live entertainment.

Modern entertainment systems require ten times more hardware

and capability than would have been believed possible only a few years ago. This summer at Universal Amphitheater there were regular requirements for more than 70 microphones being mixed simultaneously.

The second area of concern after the system type is determined is that of installation. Installation practices vary throughout the country with building codes somewhat, but more so by unqualified people trying to install systems. There is no real national standard for installing wiring, however, neatness is always a good clue. We can often tell how well a system works by merely inspecting the wiring. Systems are so often thrown together that they never seem to work as well as they could, nor are they serviceable.

All good installations should meet the requirements that have been documented previously, and should include corrected, "as built" drawings as part of the acceptance of the system.

Name entertainment systems often travel with the performers or are rented on a seasonal basis by the theater owners. Name performers require "name" sound systems. These are usually systems built by touring rental companies that have established good reputations with a number of performers.

Probably the most important facet of sound system construction is to insure proper operation. There are countless fine installations throughout the country that are ruined by local, temporary, untrained sound geniuses. All of us know at least a few. These are people with enough electronic and acoustic knowledge to be really dangerous.

Audio is handled differently from any other area of electronics. Most good audio engineers have at least an engineering degree or equivalent experience in sound application. PA and background music contractors often don't have the expertise to handle acceptable entertainment system installations.

Seasonal operators are probably the greatest problem for entertainment systems. If a seasonal professional operator is available, he can demand weekly fees of up to \$800 a week. Needless to say this is impractical for most park operations. The other option, therefore, is to provide extensive training. This can be best accomplished by your sound contractor.

An extra \$1000 or \$1400 worth of his time can save thousands of dollars in the operational life of the system. Proper training of a high school or college operator can not only eliminate costly repairs due to misuse but also prevent the ever-present modification of the system.

In conclusion, for high quality sound systems, adequate preparation in advance is imperative, and this preparation must be done by real professionals, not local electricians. Proper, documented installations are necessary, and operators must be trained personnel. Sound design is a science, no longer black magic. Predictable results can be obtained.

More equipment is being installed, with more requirements. Audiences are more educated than ever before. Entertainment must keep up with the current trends if it is to exist. Audiences will not pay for something if it sounds better at home, but they will

fall over themselves for a great sonic experience.

CHAIRMAN HEENEY: Thank you. Our next speaker is Tom Frostig, who has been in the business twenty years, has worked for CBS radio. He was the General Manager of three different radio stations before getting into --

MAN IN AUDIENCE: Excuse me, I have a telegram for Mr. Rough Rider. Is Rough Rider in the house? I have a telegram for Rough Rider. None of you look like Rough Rider.

MS. O'DAY: All have walked around the park two hours. It is hot, boring, dusty or whatever else.

A show is one of the few places that someone walking around a park can sit down. That is a pragmatic reason to do a show.

People who bring kids who don't really like rides would like somewhere to go to do something else yet pay the same amount of money. They can come into the theater and be entertained.

My guess is you are going to ask as to the operational appeal and the budget appeal. Why do entertainment?

Another reason in terms of guest satisfaction is that all of us have queue lines at rides that are unbearably long. A person who has stood in a queue line and has paid a lot of money is really pissed. At least if guests can see a show that they didn't have to pay for, I think they will be less inclined to be upset.

I think what we have to do is provide a variety of entertainment. Sometimes it is necessary to sit back and see a real fine show. Sometimes it is better to be rowdy and scream and holler and have nobody care. Sometimes it is good for a family to sit and be rowdy together. When the two-year-old and the six-year-old and the fifty-year-old can all be rowdy together, it is a different kind of experience.

Entertainment increases the in-park stay. We are talking about the bottom line.

One Pennsylvania park runs one set of shows half the day and the other set half the day. The largest in-park crowd is at 3:00. The largest theater crowd is at 3:00. Shows change over between 3:00 and 4:00. People stay in the park another hour to an hour and a half simply to see the shows change over.

When people stay in the park an hour to an hour and a half, they will go to the gift shops or food places and your per caps go up. Parks have found that adding entertainment makes the per caps go up.

Entertainment is practical because your guests enjoy it, and it is also practical in terms of the money you make. We all know what you make at the front gates. Once people are inside the park, we do have some control how they spend their dollars, and we can make the collars work for us.

There is a park in Orange County that has put together a printed program of shows. They really did make a program on entertainers that no one knows. These performers stand outside of the theater and sign autographs for people. The programs sell for

\$1.00 and I would say 50% buy the program. There are all kinds of merchandise possibilities that we can tie in with entertainment.

In addition, if you have been doing entertainment, you will know it is usually the people in the entertainment department who have the highest morale. Suddenly the place you work becomes exciting and people get excited, and you feel good. That is a good reason to do entertainment. Sometimes we like to think there are not pragmatic enough reasons, but the bottom line says we like to be entertained. Entertainment makes people feel good, and that is our job.

Our guests expect entertainment. If you are not doing it, they feel they are not getting something they have paid for.

You can use entertainment for P.R. purposes. The company I work for is aware of it. You can do it with outside or in-park employees. Hire a director who comes in or hire a whole team.

The whole secret to entertainment is not to sit around in the office and say, "do we need it or what?" Get people involved and excited about it. Don't ask foolish questions. Jump in with both feet. Get busy about doing entertainment.

Then we will be entertainment people and have the entertainment facilities we claim to have, and we will be glad about it.

MR. FROSTIG: Last night at our meeting in the other room I had the privilege of talking to a couple of gentlemen from Canada who said they thought about entertainment, but had not done it because they were unfamiliar with it.

If you don't know, ask questions. One of the reasons we are here at this convention this year is to answer some of the questions.

Amusement park business is exciting and alive. More people are entertained by people in the room than any other organization, professional ball games or anything. We entertain more people every year.

They come to us because they get their money's worth from us. Entertainment can be expensive or cheap, a success or a flop. Knowing how to do it, whether to do it and why you are doing it is very important.

Rae O'Day and Dave Osborn have been providing their professional services to the amusement industry for the past eleven years. They are experienced and know the answers to some of the problems you may have.

Earlier this evening I was going to be introduced by Mr. Heeney and was interrupted. I will take the honors. I am Tom Frostig, President of Promotion Counsel. Promotion Counsel has space on the trade show floor, and representatives of Wings of Time will be down on the floor. Rae, Ross or David will be glad to discuss your park and answer your questions. Thank you.

CHAIRMAN HEENEY: Bob Whittaker is Director of Live Entertainment at Opryland. I suspect many of you have been at the park. It was one of the first theme parks to go around live music.

I think it is particularly important and I don't know if Bob is going to touch on this, but the average age in the United States is slowly creeping up. Within a few years the largest percent of the population will be over 50. I think it is important to keep in mind that live entertainment will be the answer.

MR. WHITTAKER: I am delighted to be on the panel, and I plan on being around after the meeting to discuss anything that might be of interest to you.

I hope most of you have visited our park. If you have not, I am going to give you a commercial. We would like to invite you to join us April 1st when we will premiere all of our new shows.

The subject is "Why the Entertainment Mix at Opryland?" I would like to go back six years to the development stages of Opryland. The total entertainment package was the main thrust of the planning of the program.

We at Opryland like to believe we entertain people. We don't amuse them. We don't thrill them necessarily. We entertain them throughout the entire park.

When people come to the park and dine in one of the fine restaurants, we think we are entertaining them. When they ride the rides, we are entertaining them. When they view the landscape, we think we are entertaining them. When they buy things through the merchandise and browse through the gift shops, it is the same.

I think when people hear the word Opryland, Nashville, Tennessee, they automatically think of country music, and we won't trade that name for anything in the world. I don't know that it would work anywhere else, but it certainly works well there. We knew we would attract and draw the country music fan to Nashville, Tennessee.

But we felt there was also a larger market than the country music fan; thus the planning for the entertainment mix at Opryland to go beyond the country music field. We wanted to extend our market and draw more people to the Nashville area and certainly more than just the country music fans to Opryland.

When we developed our entertainment mix, we started out with seven shows. Currently we are producing thirteen shows on a regular basis, plus we produce about eighteen different special shows, some performed once and some performed several weeks at a time.

Right after Mr. Presley's untimely death, we did a tribute to him which was not publicized outside of the park. We did not do it to advertise Opryland; just to honor one of the greats in the entertainment field.

We started with a nucleus of country music and developed a show called Folk Country Show, a derivative country music.

We have a large country music production show as well as Grand Ole Opry acts in the park as free entertainment Monday through Thursday.

We had a couple of members of Roy Acuff's band. We had four areas within the park where country music was being performed, so almost at any time of the day the country music fan could be en-

tertained. Our Hill Country Music Show has developed more into a modern-day bluegrass show.

The show double-cast five members in each show and drew the largest number of people of any show we had in the park. You do not necessarily have to have large numbers of people working in a particular show or have a large production to entertain people.

The show was premixed, and five people went out and did the job. The show entertained 944,762 people over 131 days, and that is 45% of our gate for the year.

The Country Music USA Show drew the second largest attendance; 738,150 enjoyed that show over 131 days.

As part of our other areas of music, we developed a Showboat Show built around a turn of the century theme. In addition to old turn of the century tunes, we had up-tempo, current pop tunes in the old showboat style. With this concept of show we extended the group that could enjoy the show. You could go and enjoy no matter what your age.

In our modern area of the park we wanted to entertain young folks -- the rock and rollers. That way, when they got tired of riding the rides, there was an exciting contemporary show.

The Dixieland Show is another area we feel is important. We have a New Orleans section in our park, and those who enjoy dixieland can sit down in a patio around a fountain and enjoy their favorite form of music.

We also have a show for the young folks. We call it the Laughing Place, and one young man does a very fine job of entertaining the little tots. The kids identify with him and can communicate with him in many, many ways. It is another area of the total entertainment package.

Since many of us do not have a lot of rides for the little folks, we have got to do something to keep them happy. If they go away disappointed, their parents won't want to come back.

We also have a show that is based around the Andrew Sisters era. It has a small cast, and it's an inexpensive show to produce. This again goes back to nostalgia craze which seems to be taking the country, and it seems to be popular entertainment for segments of the population.

This year for the first time we offered dancing after dark at Opryland. We had an 18-piece big band sound performing five nights a week.

In our Gaslight Theater it turned to be a nice touch. It drew particularly the local crowd who liked to come out in the evening and have dinner and remember the good old days when they could go and dance to the tunes of Tommy Dorsey and Benny Goodman. It was not uncommon to see people dressed up.

On Friday and Saturday nights in the same theater we did a Fifties Show which was far out. There was dancing, and it was an incredible experience that worked so well we are going to do it again this year on Friday and Saturday nights. It gives us an opportunity to offer dancing to our local drawing area every night

of the week.

I mentioned the tribute to Elvis Presley. We think it was in very fine taste. We did not advertise outside the park. Once people were inside the gate, we announced there would be a tribute at 6:00, 7:00 and 9:00 in the evening.

The average attendance was over three thousand for practically every show that we did, and it was rather a moving thing. I know it was popular, but I don't think we will do it next year.

One show which has been running at Opryland six years. It is called "Hear America Singing." I think everyone of you who visited our park attempted to get into the theater. It has one hundred percent capacity at practically every show, and we have updated to include the 1977 season.

I would like to close by saying just a couple of things. This year at Opryland we produced 11,195 shows in 131 days. The total attendance was almost six million people. Entertainment in your parks will work for you.

I think that you must think seriously about the mix that you must have for your area and for the people who come to visit you. I assure you there is no one who doesn't like music in some form. If you are not entertaining your people musically, you are making a mistake.

People come to Opryland to be entertained. As I said in the beginning, the entertainment includes every facet of the park. It includes the food, rides, merchandising, landscaping and the entertainment. Thank you.

CHAIRMAN HEENEY: Thank you, Bob. The six million figure is astonishing; not that many people attend Broadway shows in one season. For one amusement park to draw more than all the shows on Broadway is fantastic.

The next speaker wears several hats. He is Director of Sales Promotion and Entertainment and has been with LeSourdsville Lake, Middletown, Ohio. He is going to speak on maximizing the use of in-house live talent. Mr. Willism Robinson.

MR. ROBINSON: What I would like to do, with the help of some audio-visual aids, is introduce our entertainers and the important part they play in our park.

Country music has always been popular in Southwestern Ohio, so when we decided to add live entertainment to our park, country music was our first addition.

Our Dry Gulch Saloon soon became the home of LeSourdsville Lake's country music show featuring live country music every Saturday, Sunday and holiday from 2:00 to 10:00 p.m. with a 30-minute live radio broadcast at 6:00 p.m.

In the afternoon from 2:00 to 5:00 p.m., the Dry Gulch Saloon featured Mr. C. D. Craft and Sagebrush.

This six-piece group that could play everything from rock to bluegrass to pop country, fast became a big hit with not only country music fans, but also with the many teenagers who visit

the park each year.

The evening entertainment is provided by Ken Roberts and the Country Rebels, along with a pretty female singer or two.

Ken, who has the gravelly voice of Johnny Cash and the down-home charm of Porter Wagner, has helped make country music a huge success over the past seven years at LeSourdsville.

At 6:00 p.m. every Saturday and Sunday throughout the season, LeSourdsville Lake's country music show is broadcast live and direct from the Dry Gulch Saloon over a local radio station, featuring two complete bands, and three singers, with a format similar to the Grand Ole Opry. Both groups also make frequent appearances throughout the tri-state area promoting LeSourdsville.

Our in-house country music has been such a success that the Dry Gulch Saloon has been enlarged twice since it was opened and needs to be twice the size it is now.

However, big name country music acts have never really been a big success at LeSourdsville. Even though we've never lost money with a big name country talent, I do not feel we ever draw the crowd to warrant the price of the act.

Some of the big names we have booked in the past are Jim Ed Brown, Tommy Overstreet, Grandpa Jones and Roy Clark.

During the 1976 season, the year of the nation's bicentennial, LeSourdsville took several steps into in-park entertainment. Our initial step was to create a host or special character to greet our patrons at the park and to represent LeSourdsville during the bicentennial.

Uncle Freddy the fun bear, a cross between Uncle Sam and Br'er Bear of Uncle Remus fame, became an instant success. Uncle Freddy became the gentle, huggable host we needed.

Rocky Raccoon, who is partial to young teenage girls and whose crazy antics bring many a smile to our customers, fills the part as a mischievous companion for Uncle Freddy. Everybody loves Rocky!

Our third character, we felt, should be named after the park. Pierre LeSourd, a fox who portrays a perfect gentleman, was created. Pierre would tip his hat to the ladies, and kiss their hands. These three characters, Uncle Freddy, Rocky Raccoon and Pierre LeSourd became known as the Crazy Fun Critters.

They were not only used at the park to entertain our patrons, but also in our TV advertising, promotions and for special appearances in parades, hospitals and other special events outside the park.

Pictures of the characters often brought special attention to the news releases we sent to newspapers promoting a special event, such as this photo promoting Coke Days.

Also during our '76 season we wanted to add some pageantry. A special drum and fife corps complete with military dress, and authentic colonial music, was organized for this purpose. The 16 member corps was made up of 10 fifers, 4 drummers, a flag bearer and a drum major.

Everyday at 1 p.m. throughout the season, the drum and fife corps paraded through the park to Liberty Gardens where a replica of the Liberty Bell is displayed, to raise the national colors, along with several other historical flags.

On other occasions, the Drum and Fife Corps, preceded by a large banner with the park's name on it. represented LeSourdsville in parades and special ceremonies outside the park.

After the flag raising ceremonies each day, the members of the Drum and Fife Corps would divide into two separate bands.

One group called the Little Rascals Fun Time Band is LeSourdsville's clown or hobo band. The group's lively music and crazy antics draw large crowds wherever they appear throughout the park.

The second group of musicians make up the Funtimers Dixieland Band, and, like the Little Rascals, played throughout the park, entertaining our guests while they enjoyed other attractions.

The Little Rascals and the Funtimers alternated on a 30 minutes on, 30 minutes off schedule throughout the afternoon. At 6 p.m., both groups would regroup and again march as the Drum and Fife Corps back to Liberty Gardens to lower the national colors.

From 7:30 to 8:30 our musicians would form a 16 piece band called the Entertainers, featuring the big band sounds of the 40's, in concert.

1977 brought the addition of more characters and more bands to the park's entertainment program. Three new characters were added. Wiley the Weasel, Cheddar the Mouse and Dasher the Duck.

Three more critter-type characters known as Do, Re and Mi were added to make up the Krazy Critter Express Rock Band.

Three times a day the Krazy Critter Express would join Uncle Freddy and the rest of the Krazy Critters on our mall stage for LeSourdsville Lake's Krazy Critter Fun Time Show. The show not only provided entertainment, but it was also used to introduce our characters.

Uncle Freddy, whose pre-recorded voice was that of a southern gentleman, would introduce the other characters and welcome everyone to the park. The Krazy Critter Express would provide music for them to be introduced by and also for them to dance with the audience.

To give you an idea of the show's format, I would like to play a tape of Uncle Freddy's monologue without music. Before the announcer introduced Uncle Freddy, the Krazy Critter Express warmed up the audience with a golden oldie.

As the band played Bear Tracks, Uncle Freddy, carrying a six-foot guitar, joined the Krazy Critter Express onstage. The band would play another rock song. As Uncle Freddy introduced the characters, the band would play a song. As they were introduced, each character came center stage, took a bow, and continued dancing to the music. The characters danced onstage until the song ended.

All the characters except Uncle Freddy would go into the audience and dance with the patrons ... usually several at a time.

The characters would continue to dance with people from the audience while the band played another song. The show was an instant success with the audience calling for more from the Krazy Critter Express at the end of each show.

LeSourdsville does a tremendous amount of business in catered meals to the hundreds of industrial picnics held at our park each year. To entertain in our picnic grove, we added another band this year called LeSourdsville's Fun Time Banjo Band, made up of three banjos and a tuba.

By far the best entertainment package we have put together is our Rock, Roll, and Remember series introduced to our patrons during the 1976 season. The 1976 August promotion, which lasted four weeks, was so well accepted that it was extended for an eleven week promotion in 1977 and will be held for another eleven weeks in 1978.

Our Rock, Roll, and Remember series featured rock stars of the 50's and 60's in concert on our mall stage every Friday night throughout the season at 5:30 and 9:30.

Many of the stars are as popular now as they were when their songs were in the top 40.

Chubby Checker, the Shirelles, Tommy James, the Diamonds, the Coasters, and Freddy Cannon, are all big names at a price you can afford, and you are assured of a good show without all the riders that cost you more.

There is one special night of entertainment during our Rock, Roll, and Remember series that I feel deserves to be mentioned here tonight.

In February of 1977, I booked an act for an appearance on September 2nd of that year, almost seven months in advance. The Rick Saucedo Show, an Elvis impersonator, complete with orchestra, backup singers and supporting acts -- came to the park for three thousand dollars. The show was billed as A Tribute to Elvis, starring Rich Saucedo, the prince of rock and roll.

As all of you know, Elvis Presley died in August of this year, about three weeks before Saucedo's appearance at the park.

At 10:30 a.m. the morning of the show, more than a dozen teenage girls had already claimed their seats for the show.

Between 2:30 and 8 p.m. over 9,000 people jammed the stage area to see the two shows. The parking lot was a mess. Traffic was backed up on the highway and cars were blocking the entrance and exits.

All of the parking lot crew had to be taken from the parking lot to help control the crowd at the stage area. It took eight policemen, fourteen of our men and six of Saucedo's own security to keep the crowd under control.

The show, like the size of the crowd, was fantastic. The 9:30 show, which was to have been sixty minutes long, lasted two hours. Instead of closing at 11 p.m., the park remained open until 11:30 to accommodate the crowd. More than 14 newspapers sent correspondents to cover the show and there were five disc jockeys

waiting to tape interviews for playback on their shows.

In all, the corwd was well-behaved. They did ruin a few flower beds and climb on a roof or two. But if I can book an entertainer at a price I can afford who will give the people a show they will talk about for months, to hell with the flowers.

Our entertainment program, made up of characters, strolling bands, Rock, Roll and Remember, and our special shows, such as our custom van show, the antique auto show and our street rod show helped push LeSourdsville's attendance up 15% in 1976 and 20% in 1977.

The use of our entertainment in commercials, publicity releases, personal appearances outside the park and to support our promotions as well as entertaining in the park, and the use of only nineteen full-time musicians to make up five bands, has to be maximizing the use of in-house live talent.

CHAIRMAN HEENEY: We are ready for questions.

MR. GERTS: Dave Gerts, Santa Claus Land. I would like to direct this to Mr. Whittaker.

What percentage of the total budget at Opryland is appropriated for entertainment?

MR. WHITTAKER: About 8½ or 9 percent.

CHAIRMAN HEENEY: Are there any other questions in the back?

MR. MORRIS: Don Morris, with LARC in Dallas. I have a question for you. On your promotion at Kings Island from 1976 to 1977, did you run at \$5.00 or \$6.00?

CHAIRMAN HEENEY: I am not from Kings Island, but they did run a country promotion again this year.

MR. MORRIS: Was the \$3.00 off the same rate as the year before?

CHAIRMAN HEENEY: I don't know. You mean did the \$3.00 discount bring the ticket price down to what it was before? The admission price had gone up significantly, and the \$3.00 discount brought it back down. It still costs \$5.00 to get in.

On that promotion I can make one comment: I hope there is no talent agent in the room. We had the country music convention last month in Nashville, and the room was filled with talent buyers all up in arms.

Obviously those acts were provided by CBS at a reduced price. The acts were paid and still went through the booking agent.

Kings Island's cost was significantly less than paid if they had gone through the regular booking agencies.

MAN IN AUDIENCE: Could we have the attendance of Geauga Lake?

MR. LOCOCO: I think we did eight hundred to nine hundred thousand people, almost nine hundred thousand people.

MR. WILKENSON: Dan Wilkenson from Memphis, with Libertyland. I

am curious whether the parks use union or non-union musicians?

MR. ROBINSON: Non-union.

MR. WHITTAKER: All union musicians, but no union entertainment.

MR. LOCOCO: Non-union.

MR. KRUSE: Kent Kruse from Oshkosh, Wisconsin. It is a two-part question. I would like to know how many students you had to audition to get the 37 entertainers you hired, and how do you pay? You told us the total budget, but how do you pay the individual entertainers?

MR. LOCOCO: In answer to the two-part question, how many people did we have try out for the show, and how do we pay them?

We had approximately six hundred people this year and a projection of a thousand to try out next year.

We paid our students one hundred dollars a week and held back twenty-five dollars. They had to fulfill their contract. They did five and a half days, and we based it on a higher rate than the other people in the park. They got one hundred a week and one hundred and a quarter if they fulfilled their contract. At the end of the season most had a bonus coming.

CHAIRMAN HEENEY: Are there any other questions? If not I think we will call it an evening.

... The workshop was concluded at 10 p.m. ...

SAFETY-SECURITY WORKSHOP

FRIDAY, NOVEMBER 18, 1977

LA GALERIE V AND VI

The Safety-Security Workshop convened at 8 p.m., Richard Fussner, Kings Island, Kings Mill, OH presiding.

CHAIRMAN FUSSNER: I would like to point out a couple of notices before we get started. Mr. Bill Essary of the Marriott in California and Mr. Gifford Smith of Utah, who were assigned topics on our panel, unfortunately, at the last minute, were not able to attend, so we have lost their panel discussions tonight.

However, I have asked Mr. Ronnie Dunn, on my right, who is security manager at Astroworld in Houston, Texas, and also a member of our association, to sit in in the event that there may be some questions he can answer.

I have also asked Mr. Ken Kautz, on my far left, who is safety administrator at the Marriott in California to do the same thing. Neither one of these gentlemen have topics prepared because it's too short a notice for them, but they may be able to assist us in questions.

Good evening, and welcome to the safety and security panel discussion presented by the American Society for Amusement Parks Security and Safety.

My name is Dick Fussner; I'm Chairman of the panel. I'm Director of Loss Prevention at Kings Island Amusement Park near Cincinnati, Ohio; Safety Coordinator of Taft Broadcasting and Vice Chairman of the IAAPA's Insurance and Safety Committee; and Secretary-Treasurer of the American Society for Amusement Parks Safety and Security.

The topic of our panel discussion tonight will be some of the unusual situations that can affect park operations and some of the possible preventive measurements and solutions.

Those members of our association who will be assisting with topics tonight and contributing to the subsequent material are, on my left here, Mr. Ron Fussner, who is Director of Loss Prevention at Kings Dominion Park in Richmond, Virginia, and Ron's topic tonight will be power and water outages.

And on my right, Mr. Dick Coulter, who is Safety Administrator at Cedar Point Amusement Park in Sandusky, Ohio; his topic tonight will be severe storms and resulting problems.

My topic tonight will be situations on large capacity rides and major attractions.

We will start out tonight's program by allowing each panel member to present a short program on his given topic. After all panelists have completed their programs, we will then conclude with an open discussion, attempting to answer any questions that may be submitted from the floor.

It will be literally impossible to cover all possible problems and solutions. However, all the panel members will be more than happy to provide any additional help or answer any questions at any time during the conference, or, if you wish, feel free to write their offices. We have all left our cards on the front of the podium here, and you can pick up a card if you so desire.

I would like to start out our discussion tonight by attempting to define an "unusual situation", and at the same time present my topic. What is an "unusual situation?" Is it something that has never happened before? Is it a freak coincidence of events? Is it an obvious potential problem that was ignored with the hope that it would never be a reality, or was it a situation that was prepared for but not planned thoroughly enough? Any or all of these could be right.

The very term "unusual", connotes that we do not expect this situation to arise; that is where we are wrong in our thinking. We must focus our attention on these situations and make every effort to prevent them and remain prepared as if we expected them to happen.

Every park, large or small, has a potential unusual situation waiting to happen. The lucky parks or operations are the ones that continuously check plans and correct potentially dangerous situations to reduce that possibility. When large-capacity rides and major attractions are involved, the potential danger increases because of the number of patrons affected if an unusual situation were to occur.

(AT THIS POINT IN THE PROCEEDINGS A FILM PRESENTATION WAS NARRATED AS FOLLOWS BY MR. FUSSNER:)

The average guest enters our park expecting to spend a happy day or night with self-preservation the furthest thing from his or her mind. Our patrons are solely depending on us, the operators, to provide their safety and well being.

Kings Island is no different than many other parks in the respect that all have a variety of major thrill rides, such as the exotic looper, the ever-popular roller coaster, the unusual and exciting wet rides, all presenting some potentially unusual situations.

Animal areas, with their indirect yet intimate exposure to wild life. Trams, minibuses, or other means of conveyance for patrons into the parks, where situations are compounded by other guests in their private vehicles.

Train rides, where large numbers of patrons are transported over and through a variety of exposed situations. Dark rides, where the patron is conveyed through a fantasy of lights and animation, fully expecting to go in one side and come out safely on the other.

Large queue lines full of patrons and their potential of an unusual panic situation. Merchandising and food service areas where people gather in various numbers, never giving a thought to how they came into the building, much less how are they going to get out in case of an emergency.

Large stadium shows packed to capacity. Special events where crowd control becomes a critical factor and improper planning or judgment could cause a disaster.

Large theaters where hundreds of people are confined within a closed area. And last, but not least, high rides and the unique evacuation problems created by the very nature of those rides.

Can I have the lights back again, please?

Now that we have talked about and looked at some of these potential unusual situations, what are some of the steps we can take to prevent our chances of having an unusual situation?

First of all, we must get rid of some of the old standby excuses. For instance, how many here have heard some of these old familiar words, "I think we could possibly handle that problem, but chances are it will never happen"? Or, "Oh, hell, chances of that happening are one in a million"? How about this one, "By God, I have been running that ride for fifteen years and nothing like that has ever come close to happening"? Or one of my favorites, "Anybody that would get hurt that way deserves to get hurt"?

The fact remains, we must eliminate these negative and unrealistic attitudes because of our moral obligation to our guests. All rides should be inspected daily. That's right, every day.

If a ride has a safety system, do you check it enough? You can never check safety systems enough. Does the system do what it's supposed to do, or do you take the manufacturer's word for it?

Are all possible situations reviewed and discussed? Action plans should be written for each situation and the right people

trained to handle those situations. Follow-up steps and procedures should be written and practiced.

Large places of assembly, whether it be inside or outside, regardless of whether it's a food service facility, a merchandise facility, or a show facility; these should be provided with emergency routing, fire protection and proper aisles and exits. Procedures should be written to handle all possible situations, and all employees working in these areas should be trained and drilled to react when necessary to these procedures.

Most important, recognizing all of these potential situations is a very difficult job. Therefore, it's always to our benefit to try to learn from others, either by observing their operations, or, unfortunately, by capitalizing on their mistakes or misfortunes.

If you have a potential situation similar to that experienced by another park, do some checking. Ask questions. What happened? What caused it to happen? What were the procedures? Did the procedures work? What would they do differently? What changes are being made?

At this time I think it's appropriate for Kings Island to share with other parks an unusual situation we experienced this year. Our sky ride incident. I would like to briefly discuss our situation.

Early in April, with approximately seven thousand patrons in the park, we experienced one of those unusual situations on a major attraction. Our sky ride became jammed and could not be moved. Impossible? Could this happen? By God, it did. The cause of this situation was simply weather, high wind. A storm came up very quickly and we ran the ride too long into that storm. Even though we were in the process of shutting down, we were still caught with forty-five patrons stranded in some twenty-seven gondolas, some as high as ninety feet from the ground.

The cause of the lock-up was simply the wind leveling a gondola and cable off of the pulleys at one of our high towers. Standby emergency procedures were initiated immediately, after evaluation of the situation. Steps such as communications and the calming of the affected patrons during the rescue, evacuation of the park, requests for outside emergency equipment, first aid coverage, maintenance coordination, marketing coverage for press releases, and management call-up were all followed per procedure and fell in place with very few flaws.

I would like to stop at this point and take a look at a very short film depicting one of the rescues that took place and some of the news releases that were put out with it.

(WHEREUPON THE ABOVE-MENTIONED FILM WAS SHOW, NARRATED BY MR. FUSSNER AS FOLLOWS:)

What you're going to see is an aerial platform rescue truck taking some victims out of one of the gondolas, and this is the particular picture you see.

Now, watch the film.

(END OF FILM PRESENTATION.)

I might mention that we had five aerial platform units from a variety of fire companies in the surrounding area that assisted in the evacuation of these people from the gondolas.

The total situation lasted approximately eight hours from the time the incident occurred until the last patron was removed from the ride. Because of the advance planning and total cooperation of those involved, there were no injuries and to date, we have not even had a serious guest complaint.

What did we learn from our unusual situation and how did we change our procedures? First of all, don't run this type of ride if a severe storm is threatening. Secondly, make sure access for emergency vehicles to reach these high areas are available at all locations of the rides, or, by God, make other provisions.

Third, make sure, on a regular basis, that all safety systems are functioning the way they are designed to function.

Four, make sure there is a good means of communicating with the affected patrons.

Five, provide a means of getting supplies to each of the stranded patrons.

Six, last but not least, review your procedures; make sure the right people are informed of those procedures and follow up with practices.

In conclusion, I'm sure that all too often, if we are honest with our investigation of accidents or situations, we will often find that it maybe could have been handled better, or should never have happened at all. In other words, we should have been better prepared for these unusual situations.

Thank you.

At this time I would like to turn the meeting on over to Mr. Ron Fussner, who is going to give his topic on power and water outages.

(AT THIS POINT IN THE PROCEEDINGS SLIDES WERE BEING SHOWN, NARRATED BY MR. RON FUSSNER.)

MR. RONALD FUSSNER: My portion of tonight's presentation concerns two areas that I feel are often times neglected. The two things that have the potential of creating horrendous problems are electric power outage and water outage.

First of all, let's take a look at the electric power outage. For the sake of simplicity, the broken electric power outage is in four basic categories, the cause, effect, cause control and effect control.

Causes? There are two primary types of conditions associated with causes; they would be what I call non-controllable conditions or conditions that occur off site. Two is controllable conditions, or things that happen on site that you probably have some type of control over.

Let's take a look at some of the examples of non-controllable conditions. First we have wind. You probably all recognize the

character that I have used in these sketches if you still watch Saturday morning cartoons like I do occasionally when I'm home on Saturday.

Next we have lightning. And then we have good old rain. There are some of the non-controllable situations. The least of the non-controllable situations would be an accident.

Under the controllable-type situations, you might have this one, excavations. Everybody probably has been confronted with this one on occasion.

Finally, the last would be the overloading of circuits.

Now that we have seen some of the primary causes, let's take a look at some of the controllable conditions, or let's get back into the sketches here for a second. Let's cover wind; this would be covered under cause control. Be sure all service is properly secured. The use of makeshift stanchions, poles, etc., can put you in this type of a situation some day. Be sure everything is properly secured.

Next is lightning. Proper fusing and grounding is of the utmost importance. One lightning bolt, as you see here, could knock you out of service for the entire day or could very easily ruin very valuable equipment. Make sure your circuits are properly fused and grounded.

Rain. We all know we can't do much about rain. However, we can protect splices, panel connection boxes, or whatever would have the potential of absorbing moisture. Remember, water is a conductor.

Auto accident. If possible provide more than one main feed into your facility. A local auto accident can often times knock out one local feed, but leave yet another still working, so provide, if possible, a secondary feed into your facility.

Let's look at the controllable situations. Excavations. Locate all lines before digging. You should use knowledgeable persons to do this. Make sure they understand what they are looking at. This happens all too often; it can very easily be prevented by taking enough time to locate the lines.

Finally, overloading of circuits. How often has your circuitry looked like what you see on the screen, an octopus feeding many different areas. That is a common occurrence, even in the most modern park today; you can find these types of things all over the place. Use the proper equipment and material when you install your plant. If you cut costs by saving dollars today, believe me, it's going to come back to haunt you very shortly thereafter, so use the proper materials.

And finally, one of the main things, do not exceed your main feed capacity. You only have so much output there, so do not exceed the capacity.

Up to this point now, we have discussed causes and cause control. Let's take a closer look at effects and effects control. Under effects we have two basic areas, safety hazards and monetary loss. I'm sure everyone in this room is quite concerned about both areas.

Safety hazards. You're confronted with evacuations, either by day, or even worse, by night. You also have, if the situation is severe enough, complete evacuation, and that is especially severe at night.

Monetary loss; you lose admissions revenue. Of course, if you're out of power, you have to close the gates; people cannot get in. You lose admissions.

Food; you lose sales. And also, due to the fact that your refrigeration equipment is down, you have the possibility of losing because of spoilage. In the merchandising area you also lose sales; and quite a few people certainly have great volumes of games. Now-a-days most of the games are electric, electronic-type situations. If you lose your power, you lose your games. Quite a large amount of revenue is lost there; also, if the occurrence happens at night, you have the possibility of theft.

Effects control under safety hazards has already been mentioned -- what have been mentioned here are very pre-determined action plans.

When insurance people, governmental investigators, come down to your site if you have had an incident there, the first thing that they are going to want to do is look at your written procedures; not just what you care to tell them, but what you have down in black and white. Make sure you have written, pre-determined action plans.

Monetary loss -- provide auxiliary power to materially support operations. This can be done through portable generator units and also separate incoming main feeds.

The second portion of my presentation concerns water outages. From my standpoint, I think that the electric power outage probably is more thought of than the water outage. You just never believe there isn't going to be any water there. Believe me, we have had a couple of situations where we have lost total water supply in the park. It's a very real situation. It can happen to anybody.

Water outage -- again, for the sake of simplicity, we will break it down into the same categories, cause, effect, cause control and effect control, and then, following the same pattern as the electric outage, we have the same types of conditions, non-controllable conditions or off site conditions, and controllable conditions on site. Let's look at some of those in our sketches.

First, a non-controllable, we have main break off-site. This one you can't do too much about, again because it's an off-site situation. However, if you know of anyone in your area who is digging, check with them; make sure that they know what they are digging and where they are digging.

Then we have one here that not too many people think about, supply plant failure. What happens if the supply plant fails? We all know that that never happens. New York never loses electric power; but, it happened. So, you do have supply plant failure.

Under the controllable-type situations, you have main breaks on-site. Again, same type of situation. And one that we all know about, inadequate main feeds. You try to do too much with too

little.

Cause control -- let's look at this one again. Main break off-site. Try to provide secondary feeds. Same type of situation as in the electric outage. Provide secondary feeds and section valves. If you have the capability of being able to isolate a problem area, you may be able to restore service to the rest of the area, so provide secondary feed and section valves. Also, the use of an auxiliary system.

Supply plant failure -- believe it or not, this situation happened to us this past year; for some reason unknown to us, the pumps and the water supply plant failed and we were without water for a time. Fortunately, we were able to switch over to our auxiliary system and we got out of a very touchy situation.

Controllable situations -- on-site. It's simple; locate your lines before digging. It's a very important aspect. Know where they are. Another thing a lot of people don't think about is, in this type of situation, use the proper materials and supplies and so forth when you install your plant. If you're going to have a high-pressure system, you ought to be using high-pressure supplies. Again, it will come back to haunt you later.

Inadequate main feed. This is a simple one. You do this by initial planning; you plan for your needs ahead of time. You don't try to come back in and fill a five-thousand-gallon tank with a three-quarter-inch garden hose. You plan for your needs. Know what your needs are.

Again, following the same basics -- the same basic format that we did with the electric power outage, let's explore a few of the effects and effect control.

Under effects, we have loss of sanitary facilities; basically toilets and drinking water. I don't know whether you have ever tried to tell thirty thousand people that they can't go to the john, but if you haven't, you haven't lived. They just don't cooperate too well. So, you lose your sanitary facilities and also drinking water. You also have a reduction or a total loss of fire protection, and if you apply good, old, Murphy's Law, if anything is going to happen, that is the time it's going to happen, when you have lost your fire protection.

Monetary loss; if you have this, you have a loss in food and drink sales. Now there is no question about that.

Some effects control -- loss of sanitary facilities; try to provide backup water systems. You will need storage tanks, pumps and section valves. This gets into a very expensive initial cost, but it will pay for itself later.

Reduction or loss of fire protection -- provide again backup water systems with the use of storage tanks and auxiliary fire pumps, something that is independent of your other systems, and again, section valves.

Under monetary loss, food and drink sales. Provide a backup system. And there is a possibility that you could use portable sales units that do not require specialized water systems.

In conclusion, I believe you can clearly grasp the overall

emergency; be prepared. If you wait until a situation develops, you're too late.

Thank you.

CHAIRMAN FUSSNER: Okay. Thank you, Ron.

I think it's an interesting aspect, the water supply loss, because I know that both of our parks experienced at least -- at least two of our parks experienced that situation last summer, and it gets rough running around the park with plastic buckets trying to flush toilets when twenty thousand people are using them.

I would like to turn the next section over to Dick Coulter, who is going to discuss severe storms and some of the consequences involved with those situation.

MR. RICHARD COULTER: I would like to start by first saying that what I would like to do with my presentation is to lay the groundwork for a series of slides that I have brought with me this evening to show you, and then perhaps discuss some problems after this slide presentation.

Hopefully, this presentation will stimulate some questions that you might have of me and the other panel members up here.

My topic is storms and severe weather.

(WHEREUPON THERE WAS A SLIDE PRESENTATION, NARRATED BY MR. COULTER, AS FOLLOWS:)

I'm sure that over the years all of you out there have experienced storms, potential storms, high winds, lightning, rain and so on. I would like to take it a little further than that, in discussing with you an incident that happened to us at Cedar Point this season, on June 30th, on a Thursday evening, early. We had a full-fledged, hundred-and-ten-percent, gut-busting tornado come through Cedar Point.

The situation was that we had approximately twenty thousand people in our park that day. The weather of the day, prior to this situation, had been sort of off and on; not really a bad day but not a good one either. At about 5:30 in the afternoon, we started experiencing extreme cloud cover and an increase in wind velocity. At that time we recognized that we were in a storm-watch situation, which we were in there at Cedar Point probably forty percent of the time during our operating season, and we started to shut down rides, as we had pre-planned over the years.

About 7:30, which was about two hours later, a very quick storm-front tornado hit our extreme northwest corner of the island. Cedar Point is, for all practical purposes, on an island, and it lies about a half to three-quarters of a mile off shore in Lake Erie off Sandusky, Ohio.

The tornado cut a Z path across an area of the island, entering through our Frontier Town area and exiting through our Camper Village area on the lake side of the island.

There were three areas that were primarily damaged. Our Frontier area and a large, wooded area that we are now using for a major expansion coaster for next year, and our Camper Village area.

We sustained major damage to three rides; our train, in the front of the Frontier train station, which was virtually demolished; our main ride, which is a coaster by Arrow Development sustained very heavy structural damage. I believe we had about eleven trees, anywhere from two to five feet in diameter, that were twisted over that, fell across the tracks; and our Shoot-the-Rapids, which was a double rising water flume ride that also had several large trees collapse across the flumes.

Injuries were minimal; we had four employees injured; we had eighteen guests injured. All of which were of a minor nature. The most serious was a cracked bone in the leg. There were several reasons for the lack of severity of injuries, and I would like to feel that pre-planning and employee training were responsible for our lack of serious injuries on this particular day.

The one thing that we do keep in mind, and you will have to keep in mind, that on this particular day, we had twenty thousand people in the park; with our capacity, we could have just as easily had sixty thousand people in the park.

The employee training that we go through is not specifically say to this employee, "You will tell this guest this and such if this happens." What we try to do is to give them the idea and the concepts with which to handle any adverse situations; and if your employees can do one thing for you in an adverse situation, they have done their job, and that is to instill confidence in your guests that you are capable of handling the adverse situation that they presently find themselves in, because when you can instill that type of confidence in those people, it makes your job one hundred percent easier.

I would like to now show you a series of slides that will, at first, give you some idea of Cedar Point and its exposure, and then we will actually show you some slides of the damage that we sustained.

I would like for you to keep in mind these figures that I threw out to you as you're looking at some of these damaged areas -- four injured employees, eighteen injured guests, all minor. When you look at this film, I'm sure you're going to ask yourselves a question -- "How in the world did they get by so lucky?"

Well, along with our pre-planning and training, I believe the good Lord was sort of looking over us that day.

Cedar Point is like any other amusement park, amusement complex -- we are here to give you fun; fun in the way of rides and entertainment, to families young and old that, as Dick said earlier come to us with the explicit purpose of enjoying a day packed full of fun, without the worries and the problems of every-day life; assured that they will enter our park safely and leave it in the same way.

The thing that is least on their minds is running into a situation that is going to create a problem for them, or to them and their family -- a problem like this.

That is a set of trees. The large, dark one that you see is about two-and-a-half feet in diameter. That is a bridge leading into our Frontier Town location.

This is part of what you just saw of Frontier Town; that is a building another large tree crashed through the front of the same building. This was the remains of our train station at Frontier Town. That was a covered walkway, completely destroyed.

Our Shoot-the-Rapids at Frontier Town, as it could be any hour, any minute, during the present operation -- and in a very short time, this happened. (Indicating.)

Keep in mind, we did have some inclination that the storm was coming for almost two hours. Many of our rides were shut down or running at minimum capacity. This is a tree that has actually severed the flume at this point of our main train. It's a very popular ride at Cedar Point. At any given time you can look and it will be completely full -- and then this happened; this large tree that was severed there. Several others you can see laying across the track.

By the way, the ride was completely down at this time. This is another area (indicating) -- guardrail missing; tree across the track, as far as track damage. This is an overall shot of the main ride. The reason you can't see part of the track and part of the ride is because it's completely covered with foliage and debris and large trees. If you notice the foliage in the top of the trees, behind the blue sky -- some of our areas actually looked like battlegrounds.

This is an aerial view of Camper Village. Our Camper Village area has a capacity for approximately a thousand campers. Campers are normally light weight, light construction. This is a long shot of our Camper Village area -- and this happened. That is a camper, completely destroyed, twisted and turned upside down.

This is a truck picked up -- a van truck, picked up and thrown into another camper. See the camper in the rear back there? Turned on end? Completely gutted and turned upside down.

Also, a whole line of campers. There were probably fifteen in that area. This is one of the areas where the Z cut left our Frontier Town and entered Camper Village on the other side of those trees, and you can see the path it cut, completely disintegrating four-foot-in-diameter trees.

Clean up. Clean up started before the tornado was actually through the park. We started to evaluate and assess the situation almost immediately, and we will discuss this a little later.

Transports gaining access -- this was the day after.

Frontier cleanup -- trees uprooted. We had many of those trees that had to be worked on and taken out and removed. If you will notice, we used portable, white queue lines in guest areas where we anticipated exposure, before we could actually get it clean.

Fallen trees secured; patrol in this area. Security was essential to maintain the crowd and traffic control.

I'll show you this slide -- this was our midway with fifty thousand plus people; it could have happened then just as easily; it could have taken any route in our park, and that is what it's all about.

This scene here very quickly, ladies and gentlemen, could turn into this scene -- an empty trailer and debris thrown around.

Could we have the lights please?

(AT THIS POINT IN THE PROCEEDINGS, MR. COULTER'S SLIDE PRESENTATION TERMINATED.)

I would like to say that when this happened, we did a lot right and we did several things wrong, and I would like to tell you about both of those in the hopes that should it happen to you, you might be able to better assess your problem and handle your situation.

One of the things that must first be done as quickly as possible is to evaluate the over-all picture that you find yourself in. Far too often we find ourselves preoccupied with the desire to help to restore back immediately what we have lost, to assist, perhaps, an injured guest or employee immediately. This is not necessarily bad, but it should be done with the idea that there could be other problems that you're not at first initially aware of.

And I told you that I would let you know some of our problems and one of those was this: our first calls for assistance to first aid were initiated through Frontier Town. In Frontier Town, every ride has a phone; they use the first aid number occasionally; they know them. We knew that we had a problem, a storm. We did not conceive initially that we also had the problem at Camper Village that we had at Frontier Town, but the potential there was much greater.

We dispatched our ambulances and nursing staff to this area; fortunately, enroute we discovered the fact that we also had the problem at Camper Village, perhaps one of greater magnitude than we actually had at Frontier Town. We were at that time able to split our units and give assistance.

Our response time was so quick that there was still debris falling and settling and so on, and had it not been for just a quirk of fate we could have found our entire emergency system or ambulance, two ambulances and nurses, in Frontier Town blocked and almost virtually useless to our Camper Village area, where the primary injury situation occurred.

Evaluate the overall picture first. Don't go off half cocked in your effort to help. When you know what your problems are, you can then better establish priorities and get the job done properly.

As I mentioned earlier, employee training I feel is essential, employee training and pre-planning. You can't follow a plan to the letter always, but a plan is better than no plan at all. Some of it you're going to have to take and chuck right out of the window because it's not worth the paper that it was written on when you get into the real situation, but a lot of it, most of it, hopefully, will be.

And pre-planning, what to do with equipment, supplies and so on, can really be a real asset to you.

Employee training, as I said earlier, if that employee does nothing more than instill in that guest confidence in your ability

to handle the situation, he or she has done the job. The one thing to keep in mind is that this should not only be instilled in your employee, who normally communicated with the guest, such as a ride operator, such as a security man, such as a sweeper on the midway, but also when you find yourselves in an unusual, adverse situation, you also find yourselves calling on the help of employees that you would not normally call on. You'll use perhaps a dozen employees out of your kitchen or your commissary, or warehouse employees, and these employees then become just as exposed to your guests and have to answer the same questions as those that normally find themselves routinely asking questions, so that must cover all employees.

I think you should keep in mind, when you're instructing your employees, some of the things that they will perhaps be asked, and be prepared to give your guests the straight-forward, honest answers they want, such as, "Where can I find my child? I left him in the main portion of the park. I'm on this midway; I believe he's on that midway."

When you have an adverse situation -- and that policy can go for the evacuation of the park should you have a bomb situation; it can go for such a situation such as we had, a tornado; no matter what the situation there should be a primary holding place for children. There should be a primary meeting place for families and every single employee you have should know that and be able to give that answer just like that. (Snapping fingers.)

"Where can I find first aid?" -- "Where can I get help?" Well, a security man on the midway can surely tell any guest, "Well, you can get a band-aid or aspirin here" -- or, "Down the way; first building to the right."

But, can a chef out of the kitchen who has been called out to assist in debris removal, can a girl who works in your warehouse do it? These things you should be sure of because here again, to instill confidence in your guests that you're capable of handling the situation can be your salvation.

If you can reduce the chance of panic, you have half the battle won. After you evaluate the situation and you decide there are certain things that you have to do, such as provide crowd control, first aid, both at the first aid facility and perhaps go out to the injured guests. The idea of opening access and communication is essential, not only inside your park or location, but to the outside world to let them know what has happened to you, to perhaps summon assistance.

It can be a real benefit to you if you know that your city or municipality, or perhaps through a cooperative effort, your whole industry has certain pieces of equipment that, if you have a pre-agreed plan, you can borrow if this happens to you, perhaps crane trucks or a bucket truck or a bulldozer that you know XYZ Industry just right down the road has available to you.

Your pre-planning can be an essential part of your coming out on top of an adverse situation. Another area that can benefit you is your preparedness to cope with the news and press when an adverse situation happens. I would suggest that you have a location -- it might be a rest room at one of the ends of the park, but at least you know that is where you're going to corral the press; you're going to use that as an area in which they can be received

and disseminate information, and from there control their access. I'm not saying to hide anything, but control their access to a degree, to the problem site. It's a lot easier to sit down and talk in a nice, comfortable office with members of the press for ten minutes or fifteen minutes and apprise them of your situation, and then take them out to the site for five minutes to show them, and let them take their pictures, than it is to take twenty or thirty of them out there and have them stray and stumble around and ask you questions and get into your way in the cleanup effort, for two or three hours trying to answer questions and so on.

As I told you earlier, this happened to us at 7:30 in the evening; it was just starting to get dark. Our major efforts for evaluation of the situation, the assessing of injured people, actually had to take place at night, in the dark.

Finally, in down time, we lost our Frontier Town in its entirety for one day; one day only. This was due to pre-planning, I think. We had the necessary equipment; we knew where to get the additional equipment so that we could open up with only one day of down time.

We lost our Frontier Train Station for one day; that was the day that Frontier was down. We lost our Shoot-the-Rapids for three days, and our main ride, and if you had seen the damage here, you would have considered it unbelievable.

Another area of extreme importance is to secure all danger areas from guest exposure, future guest exposure, and unauthorized employees.

That is all I have; thank you.

CHAIRMAN FUSSNER: Thank you, Dick.

At this time we would like to open the panel up to questions from the floor. If you have any, we would like to attempt to try to answer any questions.

We have a couple of other people here who are very learned in their field. Ronnie is very adept in the security field and Ken certainly is in the safety and first aid, along with other people on the panel.

If there are any questions, why we would like to see if we can help you in any respect.

MAN IN AUDIENCE: I'm from Knoebel's Grove.

When you have a parking field and you have a car that becomes ignited for some reason or another -- I have seen this happen, and I would like to hear how to handle it.

CHAIRMAN FUSSNER: Ron, do you want to handle that? I know you have had it and I have had it and so on. Do you want to step up here?

MR. RONALD FUSSNER: I guess probably I would have to answer that in that if it occurred to us, and we have never had the situation that we have had an actual blazing fire in the parking lot -- we have had a few smaller fires -- I would have to say that you would have to handle that in the same way as you would any other fire,

which would be -- I know that sounds kind of facetious, but the primary thing would be to get your fire equipment there as quickly as possible and try to put out the fire.

You certainly would not want to go in there while you have a blazing fire and try to hook any kind of a wrecker or cable or anything else on it and try to tow it away. You're adding more problems than what you have.

I would say that you would have to use the fire equipment that you have available and put the fire out where it stands. I have often thought of this situation; our parking area has the capability of parking approximately nine thousand or ten thousand cars. If you have a fire occur in the middle of your parking lot when you have a peak day of attendance, you could just see the whole sea of fire out in the parking lot, and everybody's car goes up in flames; it's a very real problem, and it could occur, but you would have to attack that just on the basis of any other type of fire and get your equipment there and put it out.

There are several types of good water additives, like water foam, those types of things, that can be used for that type of control.

If this is your luck, where on a hot day somebody pulls into the parking lot with a full gas tank, it's morning, it's cool, the sun comes out, the first thing you know, the gas starts running out of the tank, and not only do you have a fire hazard, but you also have the problem of heating up your pavement, if it's paved.

So, we go out, and we get quite a few of these calls on a busy day, to go out and check out the situation, hose it down with a light water. It's a biodegradeable-type setup that you can flush right into the sewers and get rid of the problem.

And if we cannot take care of it by siphoning some of the fuel out of the tank, then we do call for a wrecker and have the vehicle towed to a gravel, or new area, so that the problem of it catching on fire and burning up half of the parking lot is limited.

I know your question was, "What do you do if you have a car on fire", but, again, I have to go back to the basics -- you try to prevent it to start with, and that is by getting rid of the problem.

MR. DUNN: I don't know whether you can say it's fortunate or unfortunate, but I have had a situation like that happen before. This did not happen in our guest lot, but it happened in our employees' lot. We have set up precautions to handle situations such as this in our guest parking lot. One, we have a security mobile unit that stays mobile the entire time our park is in operation. It's equipped with all three types of extinguishers and fire-fighting equipment is readily available.

Also, our tram personnel have fire extinguishers on each tram. They are also fully trained in our fire protection as part of their training program, prior to their working in our parking lot.

We took one more step this year and I put in what we call "spotters" in across our guest parking lot. The main reason for going this route was not only fire protection, but unfortunately,

on the C.B. end -- and it appears there are a lot of people that like to take things that do not belong to them, but this is worked out in conjunction, not only in theft or vandalism in the parking lot, but also due to the fires that have started from leaving cigarettes thrown in the back seats, etc., and we have been very lucky.

And I think we have been well prepared, because this did happen in our employees' lot; we were there immediately and took care of it and there was very minimal damage done to the employee's car.

Thank you.

CHAIRMAN FUSSNER: I think there are several pretty good key points that he brought out, that probably were specifically on your question, that most of the bigger parks use; they have the luxury of having fire equipment. They can attack that right away. But, if you don't, you should have something in your vehicles patrolling your lots to make the initial attack, and of course, get some back-up fire-fighting equipment on the way immediately, which we do anyway if the car is on fire.

But, I think we have all found it's important to take the vehicle, if it has been on fire, out of its parking position after we put the fire out, and take it out and sit it in some isolated spot in case it would re-ignite.

Ron mentioned the emulsifier, which is also excellent in parking lots, to control gas spills; some very good points.

I have another question here that was submitted for Dick Coulter. "Why did Cedar Point discontinue using a lead shooting gallery? And, B, "Did Cedar Point install another gallery to replace the lead shooting gallery? If 'yes', what type of gallery?"

We would like for people to identify themselves who ask the questions.

(NO RESPONSE.)

MR. COULTER: I would like to know who asked the question, and I will be happy to answer it.

(NO RESPONSE.)

CHAIRMAN FUSSNER: I understand it came from the back of the room.

MR. COULTER: I have never been known as one to mince words. And I'll answer any question to the best of my ability which as much honesty and sincerity as possible.

I don't particularly like to be put into this particular situation; somebody asked the question and won't identify himself.

As professional safety men, as every man at that table is, we have recently been put into very embarrassing situation by claimants, people suing us, and us asking very pointed, poignant questions. It's the reason that I ask people to identify themselves.

I will be happy to answer the question.

Cedar Point did have two lead shooting galleries. They were

installed by MacGlashen. We used them for a number of years; I can't tell you how many years.

Several years ago we brought a portable, electronic gallery into Cedar Point. We evaluated it from an economic standpoint, from a use standpoint, from a maintenance standpoint, and at that time decided that it would be more advantageous to Cedar Point to discontinue the use of the lead galleries and install the electronic galleries.

We have two of them at our location at present. Tell you the name of them? I cannot, but I hope that answers your questions.

CHAIRMAN FUSSNER: Yes, sir. Would you please stand and identify yourself?

MR. GENE NOBLE: My name is Gene Noble. On the plane down, I happened to be talking to a man who was a safety engineer with a large corporation, out of Houston, and he was talking about an organization which he was affiliated with -- I think it's called "Certified Safety Personnel Registration" -- is there anybody on the panel that could tell me more about that organization?

CHAIRMAN FUSSNER: I believe Ken was just -- were you just certified? There are several state programs that certify people as certified safety specialists.

MR. KAUTZ: That is it.

CHAIRMAN FUSSNER: And I know that Illinois is one that has a program like that. It's similar to your professional engineering certification programs, where people who are qualified by testing and schooling and background can take a series of tests and be certified as a certified safety professional, and there are several states that have this program.

Yes?

MR. GENE NOBLE. I have one other question too.

I don't know if any of you gentlemen have a forested parking area -- let's suppose you do. I realize that where the tornado went through is an extreme measure. Let's say you have a small windstorm and the wind knocks a lamppost down and dents a guest's car. Do you, A, turn that over to the insurance company? And if you do, and it turns out that it's less than your deductible amount, what do you do? Or, do you say, "It's an act of God", and let it go at that.

Could somebody please answer that?

MR. COULTER: I will take it if I may.

"An act of God", and I will qualify that. When you have a program where perhaps an arborist comes in in the beginning of each season and inspects the trees, where you do have exposures, and perhaps points out any dead limbs and things of that type, and leaves you reasonably sure that you have not neglected or left the problem to exist that could generate such damage to a vehicle or damage to a guest, then I think you're pretty much assured that you have got an "act of God situation".

Where you do nothing, and it's common knowledge that debris falls out of trees, then I think you have to be a little more concerned with your insurance and liability exposure.

We are in a high-storm area, and we had a situation where a guest claimed that we were very negligent when a large portion of a tree was blown out of this particular tree and landed on him, causing some injuries, chest injuries, and so on. Due to the fact that we were able to show that a professional arborist comes in periodically and checks and prunes all of our trees that have guest exposures, and that we make every effort to provide that the foliage is well taken care of, the attitude was such that, "no, we did not have any liability in that particular situation" -- and that the winds were excessive, beyond the normal situation and this was, in fact, an "act of God".

Lightning can also fall into this type of situation.

CHAIRMAN FUSSNER: Does this answer your question, sir?

MR. GENE NOBLE: Yes, it does.

CHAIRMAN FUSSNER: Question here?

MR. BOB OTT: I'm Bob Ott. I would like to know the panel's feeling on states initiating safety codes on parks, and in the sites that do have safety codes, has it decreased the number of accidents or has it been extra paper work only?

MR KAUTZ: This is for the Chairman of the committee here.

CHAIRMAN FUSSNER: It's kind of a wide-open field; to answer, I would like to speak strictly for myself, for my own park, and I believe there are some other members on the panel who feel the same way. Of course, we are safety people. I don't personally like to see any type of standards that are written just because somebody thinks they need standards.

I think there is a good possibility that in some states, as has happened in the past and maybe some in the future, there will be standards written and I think it's most important that the people who are involved by those standards, the big parks, the little parks, all of the operators who have things they have to comply with in order to maintain their operations, get an opportunity to have a voice in what those standards say, and I think that is very important.

As far as what the standards have done for the states that do have them, safety-wise, I frankly cannot answer that question. I do not know.

Does anyone here know?

Ken, do you care to comment?

MR. KAUTZ: I can tell you that in the State of California, where I'm fortunate enough to reside, we have a state document known as Title 8, which includes within it a small portion dealing with amusement parks. I think that any person in this room could have sat down and written a far more comprehensive set of standards in any one weekend than is included in that Title 8.

I don't know of any instances where this code has ever been expressly brought to bear by the State of California. I think we are all aware, though, of what our friends down in Washington are going to do with the Consumer Safety Products, and we are all waiting for the outcome of the jurisdictional debate that has been going on up in the midwest with regard to one of the rides.

I have to second my colleagues words in saying that there are no other people who are more fit to write a good, solid set of standards for us to live by than the people that are sitting in this room.

CHAIRMAN FUSSNER: Yes, sir?

MR. BOB NORRIS: I'm Bob Norris from Rochester, New York. I would like to address the problem of line jumping. I know at Cedar Point, if you are very obviously displaced in line, you will be ejected from the park. When a kid jumps the line, do you eject his whole family, or the kid, or how do you handle those problems?

MR. COULTER: Yes, we do have extensive signs that line jumping at Cedar Point is grounds for ejection from the park. We follow it almost to the letter. We do evaluate certain situations. No, the whole family shouldn't be punished for the act of one, but we are firm that if one is going, he's gone, and that should we find him in the park again, he would be found in violation of a trespassing situation and be charged accordingly. And they are made aware of that.

And I would say this, this is the second year that we have implemented this particular approach to a problem, and it's working, without question. Thank you.

CHAIRMAN FUSSNER: Yes, sir? In the back?

MAN IN AUDIENCE: I would like to ask your policy regarding bomb threats, in two parts, namely, regarding the whole park situation, and involving just one ride. How do you evaluate them, and who does it, and who decides what to do?

And I would have another question after it on safety, with the AREA people too.

CHAIRMAN FUSSNER: I will go ahead and say what our procedures are in that area. We have a complete written bomb threat procedure. Evacuation of a total park for a bomb threat is a very difficult determination to make.

Our procedure, like most of the procedures that I know of in the large parks, does not include a total evacuation of the park for a bomb threat unless a known device is in the park and we know it's there but we don't know where. And again, we verify that we know the device is in the park but we don't know where.

In that particular case, we would probably attempt total evacuation. Our procedure for individual rides in one area, if we have a bomb threat that indicates a particular ride, we will shut that ride down. We will restrict the area until we can make a proper search. And, of course, there is a lot of other information that has to be known before you can really attack the question on how you handle it. It depends on what the call was; what information you got from the other caller, and other details.

We have a tape-recording system on incoming phone calls that we are able to follow-up on; it helps tremendously to be able to go back and listen to the caller and try to make some determination.

Does that answer your question?

MAN IN AUDIENCE: I had one other question I would like to ask the AREA people. Right now you are setting up a standards procedure for rides, and I'm asking if anyone from this organization is working with you to help set up ride safety equipment and so on?

CHAIRMAN FUSSNER: I assume you're talking about the American Society of Safety and Security -- or are you talking about the IAAPA?

MAN IN AUDIENCE: Both.

CHAIRMAN FUSSNER: At this time I can't speak for the IAAPA because I don't know what their decision is, but as far as our own organization, we have merely taken the stand that we have appointed a committee of our members, who are all safety people in the field, to assist where possible in injecting our opinions into any standards that may be adopted. And I believe, simply, that is what it amounts to.

MAN IN AUDIENCE: Have you been asked to participate?

CHAIRMAN FUSSNER: Yes, sir, we have.

Yes, sir?

MR. JACK JOHNSON: I'm Jack Johnson. As of the board meeting that was held Wednesday morning, by a vote of the board, it was decided that the IAAPA would continue with the ASTM project, which is joined with AREA, which is setting up standards.

I think that answers your question.

CHAIRMAN FUSSNER: Yes.

Dick Coulter would like to say something.

MR. COULTER: I have been involved over the last several years with this project, serving on the Insurance and Safety Committee of the IAAPA, and just recently was asked to chair the Standards Committee of the American Society of Park Security and Safety Personnel.

I have been in meetings in Philadelphia with AREA, the IAAPA membership, other association memberships, OABA, and the preliminary, exploratory meeting involves the possibility of the writing of a standard. And that I think that -- my personal opinion of the ASTM people coordinating the standards effort of our industry is a very good one.

These people are extremely professional. I don't know that any of us have to worry about a one-sided standard. Every facet of our industry -- the public will be invited to participate in the writing, the evaluation of the standard. It's a consensus standard; a standard conceived by all for the benefit of all, and I believe every one and anyone that has an interest in it that would want to participate in the development of these standards, will be more than welcome to do so.

And I don't think you have to worry at all about a one-sided standard being written; not with the ASTM people heading it up. Their professional reputation is at stake, and if they even have or had the slightest inclination that this was happening, they would call a halt to it immediately.

CHAIRMAN FUSSNER: Anything else?

Yes, sir?

MR. JACK BALFORD: Jack Balford, from Storytown, U.S.A. I want to direct my question to Dick Coulter.

What do you recommend that the smaller parks do to train their personnel to be aware of situations that might develop -- that is, a ride accident, and how do you keep them aware of the situation during the season? Do you have drills for evacuation of the rides or if a roller coaster car is caught? Something of that nature?

How do you go about doing that?

MR. COULTER: Well, I don't know if there is that much difference between what a small park does and what a large park does.

Maybe it's just verbal, you know, with a dozen key points where you sit those employees down, much the same as we are experiencing in this free exchange tonight, and actually just talk about the problems and say, "Hey, should this occur, what we expect out of you is this; this attitude; this is what we want out of you." To let them know that is an initial start and a beginning, and I don't believe there is any park in this association that is too small to accomplish that kind of training procedure.

To make it more sophisticated is up to you; you know what your capabilities are.

There was a presentation, and the name of it escapes me right now, that was done by the IAAPA, a slide presentation or a short movie, about some of the "dos" and "don'ts" -- what happens if you do have a guest injury. You know, you administer -- I don't want to say "first aid", but you make the injured guest comfortable, you summon first aid, you act in a professional manner. You do not discuss this ride-related injury with anyone other than your supervisor or someone that your supervisor tells you to discuss it with, perhaps like your insurance claims people or representatives, or somebody responsible for the investigation of the accident at your park, but make people aware of the "dos" and don'ts" -- and like I said, the IAAPA worked on a presentation a while back. I have seen the presentation, the name of which escapes me. I'm sure maybe that there is somebody that has used it, and is aware of it. I think it does the job.

You might want to get it, and from this coordinate your own mini program of half a dozen slides, and a couple of hours work will really do wonders in this area. And if you can instill a little bit of safety awareness in your employees, you're doing the job.

And I don't believe that any of you or any of us are too small or too big to do that.

MR. KAUTZ: I would like to address one, small item here, that in addition to what Dick has already said, and it takes nothing away

from that, it doesn't matter how small the park is or how large it is, there is one very important facet of it that I believe needs to be covered, especially if we think defensively. We may have to at some time or another handle a claim or face a lawyer going to court and the very simplest of an S.O.P. operating standard has to almost be on record; you have got to go out and say, "Just what is it I do with this ride in its most simplest form?"

And even if you have an extensive S.O.P. for operating use, you still should have the small keynote standards printed up, put in a plastic folder or something like that, and have this posted on the ride, so that from time to time you can go back over questioning the employee.

If you take an employee off of this job toady to replace somebody on this ride, you have a check list to follow, and the main thing then is, if it does go to litigation where you do come up against a claim, you can take them out there and say, "Here it is; that is the way we do it, and there are no two different ways to do it; we only do it one way."

CHAIRMAN FUSSNER: Ron, do you have something you want to add to that?

MR. DUNN: I think the areas that they brought up are most essential and are very, very important, whether a park be small, whether it be large, it's very necessary that you have personnel that are aware and can communicate.

I have found that communicating with our insurance broker has been our greatest strength. And our training programs -- they have come out numerous times during the year to conduct accident investigations, to discuss them to explain to my permanent personnel the information that they need in order to handle claims, no matter if it be an automobile accident or a guest stubbing a toe or a child getting bee stung, and I think this is very important. If you work hand in hand with your insurance carrier, not only on the liability part, but also on the loss control part, I think that you will find that you will, number one, be building confidence within your people so that they do a better job for you, and also it will help you when you sit down over the table to discuss anything on your insurance premiums.

Thank you.

CHAIRMAN FUSSNER: Is there anything further?

The gentleman in the back?

MR. STAN NELSON: My name is Stan Nelson with the IAAPA, and I want to make one thing clear. AREA will be writing those standards based on input provided from everybody. They are not just putting them together themselves, and everybody will have a chance to provide input.

CHAIRMAN FUSSNER: Is ther anything else? If not, we thank you for attending our seminar.

Again, we have cards in the front. If you have any questions later on, feel free to ask us. Thank you.

... The workshop was concluded at 10 p.m. ...

LADIES WORKSHOP

SATURDAY, NOVEMBER 19, 1977

ROOMS 4 and 5--RIVERGATE

The Ladies Workshop convened at 9:30 a.m., Margaret Nelson, Joyland Park, Wichita, KS, presiding.

CHAIRMAN NELSON: Good morning ladies. I'm Margaret Nelson and in case you don't know where you are this is the Ladies Workshop. This is the first one the IAAPA has had and we hope you will take home something from this workshop and hope we can make it an annual event. I will like to present our President, Charles Wood. He's the only man we have allowed here this morning and he's not going to stay too long.

Charley?

MR. WOOD: This Ladies Workshop is a first, as you know, at our convention and trade show, and maybe I have done the wrong thing, but personally I'm a women's libber. I depend on my girls and feel that they are the most lovely wonderful ladies.

I have felt that maybe there wasn't enough for the ladies at our convention, so we arranged for the King Tut lecture and tour and this first workshop and then we will have the Ladies Tea, and it seems we have lots of tickets left and we have a wonderful program.

We have psychic Irene Hughes who fields all kinds of questions. She's nationally known and syndicated in over 40 papers, a fantastic entertainer.

We have another surprise that I didn't want to announce, but due to the little letdown in the sale of the tickets, I would like to tell you that we are having a parade of Mardi Gras costumes. We have six dukes, six duchesses, and so on; costumes you'd see if you were here during Mardi Gras time. I felt this would tie in with the banquet, because that is the theme of the banquet.

I'm sure that you will enjoy every moment of it. On top of that, I have approached a number of my dear friends for door prizes, and we have an unusual selection of door prizes. I think every lady will go out with something. Let's see all of you there. Thank you.

CHAIRMAN NELSON: All right, we are kind of playing this by ear because these questions that are on the table were all sent in by ladies who were sent questionnaires as to things they would like to see asked at the workshop. I don't know if they are all here or not, but the questions are the ones that we hope you will discuss first.

Your table leader has a list of other questions if you finished with the questions at your table or have worked it out and answered it quickly. You may go on to any of the questions on this list, or if you don't want to discuss that question at all, you may go on to any of them.

At the end of 30 minutes, the table chairmen will come up to the platform and tell us what you have discussed and the conclu-

sions that you have drawn at your table.

Do you have any questions?

(NO RESPONSE)

Okay, I would like to introduce the table leaders.

(WHEREUPON THE TABLE LEADERS WERE INTRODUCED BY THE CHAIRMAN).

Now please get on with your discussions. You have 30 minutes, and then after 30 minutes are up and the chairmen have given their resumes, we will throw the whole group open for general discussion of any of the questions or of the questions that the chairmen have commented on.

(WHEREUPON A THIRTY MINUTE OFF THE RECORD DISCUSSION ENSUED.)

CHAIRMAN NELSON: All right, ladies, your time is up for these particular questions. All right. I must apologize to Barbara Knoebel, I did not introduce her as a table chairman and I apologize for that, Barbara, and I will let her start, and if she'll come up here and tell us what she discussed at their table please.

MS. KNOEBEL: Okay, I'm Barbara Knoebel from Pennsylvania, and our table, we had two questions, and we were talking so much we didn't get the second one accomplished. Our first was, "How can you effectively advertise the quality, cleanliness and class of your facility, and what do you consider the best advertising media?"

At our table, we all agreed, word of mouth is your best form of advertising. In advertising the cleanliness of your park, there are other ways, such as always having in your slogan, clean, wholesome, family fun. We are a family park, and we build on this. We do not allow any intoxicating beverages at our park and for us that is effective.

People like to drop their children off for a pay-one-price day and feel that they are going to be fine. They don't have to look after them. They can have dinner at a restaurant and not really worry about the kids.

Other effective ways are newspapers, billboards, radio and brochures. We go around to the local hotels and any place where tourists might stay, and we leave brochures in these places and give them to new guests that arrive.

At our table were some people who operate an arcade in Mount Pleasant, New Jersey. They would like to know how can they get people to come up to their arcade.

Can anyone help with an answer for that? They are not allowed to offer, by the New Jersey law, any type of a discount, to their knowledge. Is there an effective way to encourage people to come in other than a brochure?

WOMAN IN AUDIENCE: Are you saying that in their area the local supermarket does not offer any discounts of any kind? Why would they be any different than any other business?

SECOND WOMAN IN AUDIENCE: New Jersey has those kinds of laws.

FIRST WOMAN IN AUDIENCE: I think you had better get to your congressman.

MS. KNOEBEL: They are never allowed to offer any discounts in their arcade because of the gambling laws, but how can they advertise some kind of a gimmick to get into the arcade? That is their question. And the rest of us are more widely involved in a permanent-park type situation and the only thing we could offer them was brochures.

WOMAN IN AUDIENCE: I don't know about advertising, but I had an arcade, and we felt that our arcade was the most successful. We had a full time mechanic to keep the machines in top notch condition.

WOMAN IN AUDIENCE: My husband is involved in an arcade in New Jersey too. You can't offer a discount on games, but you could sell the balloons for a nickel to get young families to come in. You could sell frankfurters for a dime. You cannot offer a discount or anything on your games, and your prices are limited, but you can do something with food or with a different giveaway to young children who come in, a bag of popcorn -- Of course, the other arcades on the boardwalk are going to pick up the same kind of thing, giving them a hat or something like that.

I think you can use a promotion effectively.

WOMAN IN AUDIENCE: Can they give some sort of contest? Could they have air hockey competition and some pinball wizard come in and demonstrate, and just competition like skee-ball competition, and you have one big day of that.

MS. KNOEBEL: Okay. Thank you very much.

I hope that has helped you a little more by bringing this out in the discussion.

Our second question was, "What problems do you encounter in trying to raise a family while giving full time to the business?"

We didn't get that far. I understand Margaret is going to use this for general discussion. Thank you.

CHAIRMAN NELSON: Helen Spackman, Indiana Beach?

MS. SPACKMAN: "What are some successful sales/promotional ideas you used to obtain repeat business from the local market?"

We had quite a discussion on this. It lasted for quite awhile. A lot of people are using TV, which is probably the best medium you can use at the present time. A lot of the small towns do not have a TV station, so they have to go to a larger city to promote this. One of the things we thought was probably the better idea is to put a coupon in the local newspaper, where they get a one dollar discount off of a pay-one price admission, or something similar. Local people will really clip these and bring them in, but try to use these in a period of time in your park when it is a slow time, like early June, May, or the last of September, or just before school starts.

We have one lady at our table from Libertyland. She says she

used the local Holiday Inn. If they stayed at the Holiday Inn, they give them \$1.00 off the admission coupon. They bring a coupon to the park from Holiday Inn and they receive \$1.00 off their admission.

If you have a large motel in your area this is a good idea. And the high school grades were mentioned. A lot of parks are using those now. I know Margaret does in her park, and Libertyland said they had a big turnout for it. Students bring in the last report card they receive for the season and get so many rides for an A, B, or C. We have tried it and it did work out for us too. And it seems as though the shows are one of the big promotions you can use to get your people into the park.

We are using it, and some of the other people are too, and I was at a convention not too long ago where they are promoting a lot of senior citizens.

There are good promotions that the senior citizens will go for, a day's trip, or an overnight trip. They like to have a luncheon. They like to ride maybe three rides, and you can figure a promotional package for them. They enjoy it, and they do spend money, but you do have to come up with a little cheaper price for them.

Another good promotion mentioned was coupons in a grocery store. If they buy so much merchandise, then they get a coupon for an admission. Usually one free pass. A lot of people are close to the fairgrounds, so perhaps you can give the people who are going to the fair a free admission into the park.

Then we went to the pay-one price. We didn't dwell on that too long because most of the parks do have a pay-one-price. It's working for them. Most of them have it for seven days a week, but we have it for five days, and we sell tickets on the weekends. Some of the parks are only trying it for one day to see how it is going to work for them. I would say that on a pay-one-price it's working for most people.

Thank you very much.

CHAIRMAN NELSON: Marylee Smith from Trees of Mystery?

MS. SMITH: Good morning. Our table was a cross-representation of this great land of ours. We had five ladies from the east, one from the southwest and I come from the west.

Our question was, "Should a woman become involved with politicians at various levels in the hopes of receiving help in the business?"

(LAUGHTER.)

You're ahead of me.

Our table was divided on this. I have the feeling that most of the ladies were leaving the question to the husbands in the families. I have been a woman alone in my business for some time, and it became necessary for me to become involved.

Our operation is not dependent on our local economy or even state, but on our national economy. As a result, because my business is on a highway which is a life line from Canada to Mexico

on the coast of California, I became vitally involved in the Highway Department, and believe me ladies, you would too if you had been sitting where I was.

I became involved in the beginning at the local level with our county Chamber of Commerce. Where else do you start? I'm now involved at the State level. I have met a lot of nice people and learned a lot, and if you're in the same position, I advise you to do so.

Another lady at our table mentioned that she became involved in a lawsuit, and sometimes it isn't what you know but who you know, and that has helped her tremendously.

Our second question was, "How does your facility handle accidents?"

Many of the ladies at our table said they have a permanent first aid station. Any of you who attended the Great America at Santa Clara last summer, and had the privilege of being shown their operation behind the scenes, saw the fine first aid facility they had there. We personally are quite a way from a hospital and if we get in trouble, we call an ambulance.

We discussed that at all times you should have a person on duty who has an executive capacity, who can make these decisions. We found out too, in talking about accidents, about the different insurances that are handled throughout the country. I don't know whether we women could do anything about this, but our United States are not really united as far as laws are concerned. For example, policy limits, and the different laws pertaining to recreational facilities, and automobiles. Insurance policies and insurance companies vary, too.

One lady said that she did very well with Blue Cross in that particular state, and another one said that they dropped it completely because it didn't do them any good at all. This, I think, is something that bears looking into, and I have made it almost a golden rule that you get at least three opinions from different organizations if you are going into it, and don't just pick one because the salesman was nice or he took you to dinner or something like that.

We talked about security in handling our accidents, and the larger places have full-time security officers on duty plus in full uniform with a gun, and I think that is great. Any questions?

WOMAN IN AUDIENCE: Do you think the policemen should carry a gun? Do you think this gun is necessary?

WOMAN IN AUDIENCE: May I make a comment? We had them with guns and my argument was if you come into my park and saw the cops with guns you would say, "Gee, what kind of a park do you run that you have to have men with security and guns?" We have taken only the top men, and I feel it worked out better. It also depends on the situation that you are in. We are at a beach business. We are a privately-owned park on a beach premises. The games and buildings are owned, but the premises are not. We have our own security. It's a beach, and it's protected by the State police walking around, because we have things outside the park premises.

So it might depend on the situation that you are in. We are

not a Hersheypark or a Great America. We are on a beach and it's an entirely different situation. So, I think that you know the pros and cons of this, and it depends on what aspect of the business you are dealing with.

MS. SMITH: Anyone else?

WOMAN IN AUDIENCE: Our sheriff's department demands that our security have guns.

MS. SMITH: I see. Have any of you been robbed in the past year in your operation?

(NO RESPONSE.)

We have a standing rule in our business, if anybody comes up with a gun, give it to them, let them have it, it's only money.

But, we have been robbed at night. We have recently put in a security system electrically that connects to a motel, a silent bell that can call. We live fifty miles from the nearest sheriff, but the deputy makes the rounds every now and then.

CHAIRMAN NELSON: Marianne Stevens?

MS. STEVENS: I'm Marianne Stevens from Presidents Park, thank you.

The question we discussed was number seven, "In your operating season, do key personnel work all hours of operation? If not, how do you arrive at working schedules?"

The ladies at our table were from various different facilities, arcades, circuses, as well as parks.

The question had different ramifications to different people, but we did seem to arrive at a conclusion that the key personnel worked all the time, rotating schedules, usually voluntary, but sometimes at peak hours. All these people were salaried personnel, people who had authority to make security decisions if something came up, some emergency, or an accident.

We feel that an executive or key personnel should be on the premises at all times. Now, the size of the parks represented at our table varied greatly, so naturally the number of personnel necessary to any operation would depend on the size of your park. But, generally, we felt there should be at least one at all times on the premises available for a decision or for an emergency.

Now, we also discussed key personnel as far as time-and-a-half and shifts and that sort of thing, but it was felt that since key personnel were generally salaried people and not on time wages, that this was impertinent.

One of our members was associated with the circus, and she said that the key personnel there were always the first ones on the scene, which I think is true in parks as well, and had to be available at all times. That particular operation started at five in the morning, so the key personnel had to be there to get everybody else moving, so to speak.

Is there any question from the floor or additional input on this question?

(NO RESPONSE.)

We didn't get to the other question; we got kind of side-tracked. Thank you.

CHAIRMAN NELSON: Peg Knoebel from Knoebel's Grove?

MS. KNOEBEL: Our first question was, "What successful methods do you use in finding, hiring and supervising summer employees?"

One woman at our table said that her father did the hiring and he would tell them all the good things first and then would tell them the bad things. We talked about drugs among the employees and said that we did not get involved, but just told the employees they were not needed anymore.

Our group felt that girls were more ambitious and more dependable, especially with children, and that the 15-16 year old boys worked much better than the older ones because they are more dependable and more reliable.

We discussed employment of senior citizens. Our group said they worked hard and were reliable plus it helps keep them occupied, keeps them from getting lonely and keep them in contact with other people.

We talked about giving bonuses to keep the employees after August. We decided it didn't make any difference because if they didn't want to work the bonus didn't mean a thing.

The second question was, "In a family operation, how much should you depend on your children for help in running the business?"

One woman said sometimes children felt they were tied down and could not do what their friends wanted them to do. We decided that parents should not demand the children to work in the park, and that they should listen to the children and get their views of the operation.

It was also said that during the winter months they should work at some other job. Then when they come back in the summer they would appreciate the job and say, "Well, it wasn't such a bad job after all."

CHAIRMAN NELSON: Thelma Dick from Fantasy Land.

MS. DICK: If I can read my notes, I'm going to make this real fast. Our first question was, "How can small facilities compete with larger ones, especially when there are several close by?"

This was my question, because we are a very small park and four large parks opened in our area. One of the ladies at our table said, "Don't try to compete because you have something that the big parks don't have." She mentioned the intimacy, your park is able to give all your guests tender, loving care. There are no long lines. The children won't get lost. You may have a picnic and all stick together without wondering where the children are or grandma and grandpa are.

One thing the big parks do for us, the small parks is keep us on our toes. They have made us aware that we must be beautiful

and clean, as we hope we all are anyway.

We have different pay plans. You can go in and get all of the fun with all of the rides. You can have some of the fun with just a few rides. Or, you can go in and have general admission, which includes no rides, and that is a policy that the senior citizens like. We have four shows, sometimes five, in the summer, and of course, that appeals to the older people. And the shows are something that other parks might look into.

Our second question was, "Do you encounter special problems in trying to be a good wife and active businesswoman at the same time?"

One lady at our table was brought up in the business. She said it has never been a problem. She uses tact if something comes up, and her husband thinks one way and she thinks another, and she silently bows out.

One said that, "Yes, it definitely is a problem." Her husband doesn't work at the park. The long hours and no days off in the summertime can be quite a problem. The husband can become resentful.

Another lady said that it's really not as much trouble for the woman working in the park as it is for the husband who works at the park while the wife sits at home. She's resentful. She's resentful of the long hours that he works and the no days off in the summer time. She doesn't get to go anywhere and that becomes a problem for that couple.

Another lady said that she has a great guilt complex because of the young children she has. She works hard at trying to keep the children involved, although they are small. She allows them to come into the park and see her from time to time, and makes sure she has a good baby sitter.

The daughter of a lady at our table said that she has had a baby sitter ever since she was tiny and that it has never been a problem. In fact, it was the same baby sitter all of the years of her life at the park. She said she grew up in the business and she learned all of the problems of the business and as she was growing up sometimes she was pressed into working. She was pressed into working at a very young age, sometimes 12 and sometimes younger maybe, even as a cashier.

CHAIRMAN NELSON: Jeanne Butchart, Thumb Fun.

MS. BUTCHART: Our park is in Wisconsin and the reason we have the name is because the state is shaped like a hand and we are located in the thumb, so we are "Thumb Fun".

At our table was a mixture of ladies. We had New York, Illinois, Texas, Pennsylvania, Wisconsin and Canada.

Our questions were number three and four on your sheets, and we never did get to number four except to say that men are more aggressive than women.

Number three, "How can you encourage your employees to be friendly, polite, courteous, and honest?"

On friendly, polite and courteous, we have five conclusions. First of all, they should be greeting and thanking people no matter how badly they feel during the day or whatever. A greeting and a "thank you" are necessities.

Second, when you hire them, give them a pep talk; give them an idea how the job is to be handled and tell them to be courteous. After all, it is going to pay their salary, and if that isn't what they want to do then they shouldn't be working for you.

The third thing is you smile, you be courteous, and be respectful to them. Show them by your attitude that this is what you expect of them.

So, lastly, I guess it boils down to your attitude and the individual. If they see you being courteous and friendly, they will be too.

The town makes a big difference. If the town is friendly to the park, and the attitude of management is friendly, it's easier for employees to pick that up, not always, but usually.

The second part is honesty, and we really hashed that over. I think many people have a lot of problems with honesty in employees, and I don't think it makes any difference what the size of your park is.

We decided that girls were generally more honest than boys; somebody may disagree with that.

We found one park calls the parents and puts pressure on the employees from the peer attitude. In other words, don't hide dishonesty; if they are stealing something, don't be quiet about it, bring it out and let people realize that these people are disgraced.

You need almost a rule book to fall back on legally. If someone is accused of stealing, there should be a certain procedure that you go through. If they are accused of anything which would result in firing, you should have something in writing to fall back on, and so the parents have something to see also.

It was generally concluded that we should keep communications lines open and be friendly with people. Often you will learn about dishonesty among employees from other employees. They don't like it anymore than you do, and if you have an open line of communication with them, they are more likely to come to you with the problem than if you have no means of communicating with them at all.

Some people offer bonuses. We talked about the Fuzzy plan and we thought it was a good idea. Other people offered a percentage on tickets returned, which I thought was kind of interesting. If they turned in so many tickets they got a percentage on those tickets. Others had employees of the week. When you're handling tickets, it can be a very sticky thing if there is no automatic counter. What is to prevent a human being from keeping tickets out or the money in the apron or whatever it is?

One solution was a P.O.P. price. It's instead of an individual ticket price. It seems that a P.O.P. would lessen the necessity for the exchange of money in the ticket situation.

We also thought retarded people would be a little more reli-

able and honest than the younger people. They seem to be more stable in general.

The last thing was the closed circuit TV in any money area. It may be a new idea and it's expensive, but it would be very effective. It's a little hard when you have got people with money in aprons, but I guess maybe a stationary ticket booth situation or a stationary money changing situation could easily be operated by closed circuit TV. And maybe that is the answer, I don't know.

It also boils down to the fact that people are human and as long as we hire people in our parks we are going to have dishonesty. All we can do is try to alleviate it a little bit anyway and try to come out on top. Paul Harvey said on Monday at noon, for every dollar's worth of merchandise you sell your employee steals three. That is a horrible statistic, but our conclusion was that in order to keep them honest, you have to keep on your toes yourself and keep one step ahead of them I guess.

WOMAN IN AUDIENCE: What is that plan?

MS. BUTCHART: The Fuzzy's -- it was developed last year. It was part of the "What's New Theater", where they offered 650 tickets a day to incoming patrons, guests. Those guests gave them the name of the person they felt was the most cooperative employee they came across that day. The park has a point system set up, and the Fuzzy is a badge of honor and the employee has a certain color Fuzzy. That means that he had X number of points. The idea is to get as many Fuzzys on your game card as possible and prizes are awarded on this basis to the employees.

CHAIRMAN NELSON: Jean Harries, Dorney Park.

MS. HARRIES: Our table consisted of active wives in the business, therefore, we received some practical and honest answers. We had two groups of questions, so I will make it short.

The first was, "What are your views on uniforms for employees - either full or partial uniforms?"

The conclusion is that uniforms are attractive and also necessary for identification. Partial uniforms for outside operations are all right, but full uniforms for restaurants. The discussion included future possibilities of using employees' pictures on identification badges.

The next question was, "Are you concerned about losing your femininity in becoming a leader in the business?"

The ladies at our table said it's not even thought about as long as you can act like a lady and stay feminine. One way of doing that is to ask questions instead of always giving direct orders. You can be courteous to salesmen and your general help. You should have proper dress and attitude. Just because you are a lady in the business doesn't mean you have to take over male characteristics.

The next question was, "What sales/promotional strategy do you use to increase tourists and convention business in your facility?"

Well, we didn't understand the question too fully, but some

of the conclusions were, contact your Chamber of Commerce for information as to who is coming to town or what activities are planned for the year ahead. Send letters out to industry, corporations, and later on make a personal contact. Place literature in motels and public places.

Number four, offer discount tickets to different groups, and number five, advertising in newspapers, radio and TV, about your facility and attractions for the coming year.

The last question was, "Should a wife active in the business keep business discussions away from home?"

We all concluded that it depends on the individual families. You can't help but have some discussion. Plan "happy hours" after work when you get home. Plan to entertain friends away from the business to eliminate the discussion; get out of the house, develop other interests.

In conclusion, it's important to have some discussion, but plan time for a little fun and pleasure. And that is it. Thank you.

CHAIRMAN NELSON: Rhoda Krasner, Lakeside Park.

MS. KRASNER: We had an interesting combination of backgrounds at our table. Representatives from a large state park, several small, family-run parks, and several concessionnaires, one in a state park.

The question that we spent most of our time discussing was, "What procedures do you use to effectively communicate with your personnel to advise them of company policy, activities, safety and general training?"

One has 40 employees, and when an employee is hired, the supervisor sits down with the employee for approximately an hour and a half explaining everything on a one-to-one basis. We have other input of smaller guides that entail everything from where to pick up an employee's pay to how to understand the general operating procedures, such as with the rides, do not leave the controls of a ride and so forth.

With all of the manuals, there is a strong feeling that you have to have verbal, spoken communication to reinforce the printed word. Some use slide presentations to communicate basic training orientation to employees.

It was felt that an open door policy is very important on whatever level the individual is working with, either supervisory or their direct subordinates.

We discussed the staff meetings. Several have staff meetings at a set time on a weekly basis. Each supervisor or subordinate supervisor reports any malfunction, any malcontent, in a gripe session, as such, but hopefully, one where there is a positive solution to the problems.

We discussed how to communicate department needs with the total operation. In some instances meetings of all departments are held on a monthly basis.

We discussed communicating with employees in a negative situation, such as a bomb scare, or power outage. In one larger park, each employee is made aware of -- for example, a bomb threat, through a code message over the public address system. In other areas there are inter-park telephones. In our park, we use a page boy system of key personnel.

In some parks key supervisors try to respond and oversee, especially when there are younger employees, 14, 15, 16 year olds who cannot be depended upon to perform.

For general communications with employees, some use mailboxes. One park has a mailbox for each employee in a specific department of over 100 or 150 people. Others have mail slots for supervisors. Many use memos, and post a calendar of activities or a chalk board in the office area so employees have some idea as to the coming events.

We discussed how to communicate with an employee upon termination. Again, it comes down to a direct one-to-one basis. When a supervisor is directly responsible for an employee, it was felt best to go through that supervisor and not to overrule a supervisor. But management needs to have some input as to how the supervisor is performing. If there is any misuse of power by the supervisor or unfair termination of an employee, management needs to have control.

As far as employee manuals, it has been found that generally employees also need the spoken communication. But, you must check and see if they really read and understand the procedure. We found sometimes they do not understand the words, so we check that communications are not above the level of the comprehension of the particular group of employees.

To summarize, there is much need for spoken reinforcement of any written communication.

Our next question was "How do you handle security problems with male employees? With female employees?"

We really felt there is no difference in the way you handle male or female employees. We discussed whether or not, if you terminate an employee because of dishonesty, to tell him the exact reason. In many situations it's not a clear-cut, clean situation, and we certainly don't want to have a court ruling on it. But where it's clear and clean cut, and that is why the employee is being terminated, make that clear. I think it's an example for other employees that you will terminate for dishonesty.

Thank you.

CHAIRMAN NELSON: Jilda Patten is going to be the spokeswoman for the table of women who are not actively involved in the business.

MS. PATTEN: We have four chairwomen at our table. We have Mrs. Chance, Marilyn Brechner, Kathy Ott and me.

We feel very strongly that you have to be supportive. If your husbands wish to leave their problems at the office, help them to do that. If they need a sounding board, it's important that you are there for them. The problems of seasonal business, dealing with loneliness, that's all very important. Take the children to

the park.

We also discussed, should the children be involved in a family operation? Some felt very strongly they should. Others felt not until they were older. One lady felt it was a great learning experience for the children. We all agreed the children should not feel trapped or pressured yet should have a degree of involvement if they want to either before or after experience in other fields.

We all agreed that we were completely in our husband's business or we would not be here. We may not be there on a day-to-day basis, but we are there behind the scenes to offer a shoulder to cry on or a pat on the back. In our own way, we are very involved. We may not be there at the office, but we are there. There is definitely a fine line between being actively and inactively involved, and no woman should feel ashamed of being a wife and mother and homemaker.

Outside activities fill some time, but we feel our husbands are our primary concern. If we had to choose between going with our husbands or doing something we were involved in within the community, the majority felt we should go with them.

It was unanimously agreed that we should have self-images, successful marriages and family relations, and I think that in order to survive in this business you have to have all of those.

In closing, we decided we are the strong, silent majority.

CHAIRMAN NELSON: Sally Bell.

MS. BELL: We have two interesting questions at our table and the first was, "What non-salary benefits are available to your employees?" And the conclusion I came to is that I should work for the Knoebel's because they have a terrific program. They do a lot for their people, but it wouldn't work for all of us. At Bell's Amusement Park we offer our discount tickets to our kids and a food coupon book because they spend so much time at the park.

We have tried to give them free access to the rides and they always end up getting hurt. The control was not right so we have eliminated that completely. At Knoebel's they have an after-hours swim in the pool. (For any of you who have access to a swimming pool or a skating rink have a staff swim or skate.) Knoebel's also has something called a "Sundae Sunday". They had an ice cream parlor and all the kids go and make their own sundaes. They do have a lot of fun getting together. They all stay together in a group, which possibly could solve the problem of people getting hurt, and I thought that was a good idea. They also put a \$3.00 coupon book in each paycheck, and they say that this cuts down on an employee attempting to steal tickets.

We avoid this by selling our employees a different kind of ticket. In general, it's different from what we offer to the schools and churches and after they buy it, they come to our offices and have it stamped. If they have tickets in their possession that are not the right color and stamp, then we know that probably it's an illegal ticket. We also let our kids play miniature golf.

The second question was "Can a woman active in the business

earn the respect of men when giving orders?"

We are a family business and my mother-in-law and I are pretty well in charge of personnel. We do have male personnel under our supervision, and it can be a very touchy situation. The first man we had was not able to take directions from a woman and did not stay with us. The second two that we have are doing well. I think we have all learned. If you supervise men, you do have to be a little careful in the way you handle them.

We concluded that unless you have a definite understanding of what everybody's job is, you are going to have trouble. With us, for example, sometimes we expect our employees to know what we decided, and many times we haven't made it clear to them. Any time we have a problem, we bring it out immediately and don't allow it to fester and become a serious situation.

If you are an operation where you work very closely with your employees, I think you should be honest with them. When they are doing something you don't want them to do, tell them. I think we all need to make sure that the kids who are working for us know who their bosses are. It's easy to have too many bosses. This happened at our park. Our maintenance people, who are terrific maintenance people, were getting involved in personnel. Well, they are good at maintenance and they are rotten at personnel. They jumped on the kids. We solved this problem by telling them if they had a personal problem to come to us and not attempt to solve it themselves. If you make it clear to your employees who the people are who are in authority and what they should and should not do, I think a lot of your problems will be eliminated.

We did talk briefly about uniforms at our park. We didn't feel we had enough money in our budget to go to a custom uniform, so we did it ourselves and it's been very successful. If any of your smaller parks would like to know how we did it, we do have a woman who helped make them and we deal with a fabric company. We have a lady who works for us all year and does our laundry and the repair work and it's a good situation, if you don't spend the forty or forty-five dollars per uniform.

And the last thing that we talked about was something that was new for us. We have had an intercom system and a little beeper in our park, but we had some problems with them. This year we did invest in a walkie-talkie system, and it was a great investment. It's expensive, but it's already paid for itself in one season. I know the big parks have it, but any of you who do not have that kind of a system, if you would like to talk about it, we would explain it to you.

CHAIRMAN NELSON: Linda High.

MS. HIGH: I am a manufacturer and at our table we had people from large parks, small parks and carnivals so I think we had a good discussion.

Our question was, "How can a woman establish a good working and personal relationship with her husband/business partner?" I think that is a tough thing to do.

One young gal said that she is very active in her park and grew up in it. She felt in a way she was pressured into the park, so she spent some time away and came back just four years ago.

She said the husband/wife team should figure out which one is more patient, and work from there to establish particular areas in the park.

For instance, she takes the refreshment stand, the games, and the advertising, and he takes the rides and the maintenance and the operation of the rides. They all have their own supervisors, and should a really big problem come up they sit down and discuss it.

Another gal at our table said that she felt her husband just lives his business all the time and she's partially active in business. He brings it home, lives with it, sleeps with it, and she feels there should be a special time like a happy hours or a cocktail hour, whatever, to talk about business.

I felt that maybe I bring my business home too much because I have only been active in this three years. I feel I breathe and sleep it and whatever, and it's with me all the time. So I think it is something you have to work out individually.

We have one gal at our table who, in a way I think, maybe she has an advantage. She's not married, and she felt she gained more respect being a single woman and not having to go home with a business partner. She said they have staff meetings and get together once a week or whatever and discuss their problems there.

In conclusion, each wife who is involved in the business, feels that she is an equal partner to her husband, but we almost all felt the male does have an ego that we should flatter.

CHAIRMAN NELSON: Ruth Davis.

MS. DAVIS: Our question was, "Do you publish employee rules, handbooks, etc.?"

The answer was "Yes", but unfortunately, employees may not read this handbook. You may have a discussion with them, as someone said on a one-to-one basis, but the larger parks cannot begin to do that. Many of the ladies said they had oral sessions to go over the things that they feel are most important. But your handbook that you have given your employee is your insurance should you, at a later date, have a problem with that employee. That is what you can stand on, and the time may come that you legally have to stand on it. If you mentioned in your employee handbook that it was illegal or you would be dismissed immediately if you were caught drunk on the job or using drugs, well then you have a definite leg to stand on. So, I think it is important that each amusement area has an employee handbook, and you should have everybody sign it indicating that they have read it.

One park said that they have employee sessions where they go over the rules, and they let the employees bring up things that they have noticed. I think this is good. We should listen to them--it will make them feel much more important.

Something was mentioned here about getting employees. In our particular area, we only have a 2% unemployment figure. To get good staff is a problem, but if you have an area that is not too far away, some kids are even willing to drive an hour or an hour and a half if they can carpool. If you can get several people from an area who want to work, who need to work, they will come. This

past summer we hired several girls from Minnesota and housed them on the grounds. For some reason, this is an area where they cannot get work at home. They do not have many summer opportunities for students. They were the best workers we ever had. They were so good, that they even offered to help the other workers.

So, I think if you can find a hard core area, an area where unemployment is very high, perhaps you should concentrate and try to get help from that area.

Another question that arose concerned "misplaced" employees. I think it is possible, as a personnel director, to have misplaced someone and perhaps assigned the wrong position. It may be quite clear that such persons are good workers but they are not happy there, so maybe you should consider moving them. However, we do caution you to find out for sure why someone wants to be transferred. And with very, very careful talks with the supervisor, you can make sure that there is a gentleman's agreement among everyone concerned before you transfer somebody.

Then we got on the subject of parties. It seems that everyone is involved in giving a party. One thing, be sure that whatever kind of fun thing you throw that you create a good, clean image so that mom and dad will be proud to say that their child works at your place. One of the parties mentioned again was the "Sunday Sundae". It's at Knoebel's Grove. I like to use the name of the park in case you are interested. Another one was, have a night where your management and supervisors get out there and run the rides for the other employees. This works twofold; a lot of times it is fun for management to run the thrill rides and if you have a gripe against a person, you can give him an extra spin.

Another thing that was brought up was having employees plan their own outing. Sometimes they just want to do the simplest things, and you don't have to spend a great deal of money entertaining them. Someone mentioned that she paid a lot of moeny to get a rock band and have a dance for the employees and they weren't happy with it. So, maybe let them give you some ideas of what they would like to do. I think we all have this problem -- jealousy. The kiddieland operators are jealous of the big ride operator; the food department is jealous of somebody else, etc. It does happen, and the suggestion was made for the supervisor to turn it around and make the person not just accept the situation but say, "Oh, be glad you work here". Use a positive approach, and I don't think we have time to do that very often. We get bogged down. I thought that was an excellent suggestion.

Our second question was, "How do you train your costumed people" -- by this I thought they were referring to a character in the park. And, "What tips can you offer on the care of costumes?"

Well, we didn't get too far into it. Just one point was made. The only problem that you really have is not with the person wearing the costume, but with the public itself. They are hard on costumes. So, I think when you hire someone to do this you have got to make sure that he's aware of it and can handle situations like this very tactfully. And also, I think when you have a costume designed, you must keep that in mind at all times.

I thought we had a very good table with a lot of good input, and I think this is a very good workshop. Thank you.

CHAIRMAN NELSON: Thank you very much for coming ladies. I appreciate your getting up so early in the morning and coming and spending a little time with us. I hope you have been able to take something home with you that you can go to your husbands or bosses or whatever and say, "This is what I learned at the Ladies Workshop."

Thank you for coming and have a good day.

RIDE OPERATORS AND THEMED ATTRACTIONS WORKSHOP

SUNDAY, NOVEMBER 20, 1977

ROOMS 4, 5 and 6--RIVERGATE

PART I

Part I of the Ride Operations and Themed Attractions Workshops convened at 1:30 p.m., James Bouy, Marriott's Great America, Santa Clara, CA presiding.

CHAIRMAN BOUY: My name is Jim Bouy, and I am with the Marriott Corporation on the group staff, in charge of Ride Operations.

Everyone else in the industry calls it operations generally. We all know what we are talking about.

I travel between Santa Clara, California and Chicago for the two parks. I was in Chicago for two years and went through construction on the first year of operations there before going to the group staff.

Before that I was with Cedar Point. I will generally say I am a glorified ride operator.

With that I would like to get into introducing our panel.

First Dick Kinzel, Director of Operations at Cedar Point and seated next to Dick is Bob Payne. Bob is Director of Operations for Hersheypark. Next to him is Keith Sanders with Opryland. Next to Keith is Lamar Parker with Six Flags (Astroworld). Next to Lamar is Mel Bilbo. He works with me in California. And next to me is Pat Cartwright from Busch Gardens' Old Country. Sitting next to Pat is Al Weber from Carowinds. And then there is Fred Peacock. Fred is with Busch Gardens' Dark Continent.

Now I would like to cover the things we are going to talk about this afternoon. For starters we are going to ask the various panel members what areas they are responsible for under the umbrella of operations. I think we all know that varies from park to park.

We will talk about labor control, how you control your labor, which is a big concern to all of us especially with the new Minimum Wage Laws and how employee absenteeism affects all of us.

We are going to talk about training and about rides down time and we will talk about crowd control, employee discipline, and some of our goals for next year.

As we go along we will entertain questions from the floor.

I am going to randomly pick a panel member and ask a specific question of him. Then, I will allow the other panel members to comment on differences as we go through it.

I'll start with Dick Kinzel. Would you tell the audience what areas of responsibility you are concerned with under the name, Operations?

MR. KINZEL: We are under the direction of the Vice President of Operations and he has three directors, Director of Security, Food, and Park Operations.

My responsibility lies in the area of Park Operations. We have five department heads in there under Park Operations including the Ride Department, Live Entertainment, Park Services, and Attractions, Laundry and Wardrobe. Inside of the Park Operations we have Training Manager.

CHAIRMAN BOUY: Okay, now Bob Payne.

MR. PAYNE: Operations Department at Hersheypark is a vast area. It starts in the parking lot. We are in charge of the parking attendants. The parking lot attendants are in charge of the front gate, Gate Operations, all the rides in the park, Wardrobe Department, also the Craft Barn and Animal Gardens.

If you want to hear the winter portion, which probably some are not interested in, but the Operations Department functions heavily with the wintertime. We have hockey, basketball and so forth.

The Operations Department there handles all the tickets and box office, which ranges from seven hundred to eight hundred thousand tickets a year. We distribute and sell them. It takes care of the stage requirements, ushers, tickets, and ticket takers and sellers.

MR. SANDERS: Operations at Opryland include front gate procedures, front gate ticketing operations, guest relation functions, hospitality center, in-park cleanup, area hostesses ride operations and all the seating areas of the theaters.

MR. PARKER: Astroworld Ride Department handles the front gate, sells tickets and in-park we have the Ground Department which takes care of keeping the grounds clean and makes sure the trash is removed, and live show department which handles the contract shows and works in conjunction with the show production out of corporate in seeing that the shows are kept on during the year.

The Security Department handles the parking lot, in-park security, and first aid and safety.

MR. BILBO: Operations at Great America includes the areas at the main gate, the toll plazas, parking lot transportation, the kennel, guest services, ticket sales and ticket taking. It handles the courtesy corner, lost and found, lost parents, and the other areas including area hostesses, Ride Operations cleanup crew and wardrobe and laundry areas.

MR. CARTWRIGHT: At Williamsburg (The Old Country), the Operations Department consists of all the rides and attractions, park janitorial, daytime cleanup including restrooms and all front gate oper-

ations. It handles ticket sellers and takers, security, parking lot operations, safety, first aid and live entertainment department.

MR. WEBER: Operations at Carowinds means Ride Operations, charge of the rides, ride cleanup and grounds.

MR. PEACOCK: Operations Department at Dark Continent in Tampa covers rides and attractions, parking lot to include trams, admissions, guest relations, security, wardrobe, area hostess and host.

We stole a name from the Marriott travel park camping area, Hospitality House, where we give complimentary Budweiser and Busch Beer.

We have taken over orientation and re-orientation of all our people.

CHAIRMAN BOUY: The second subject we would like to talk about is labor control, which we think is going to be important.

I know Opryland certainly has to have a computer, so I will start with Keith Sanders. Do you account for the labor by individual units; is it computerized?

MR. SANDERS: Yes. We budget for location and chart the time to the time to the locations to time card coding. We have a weekly printout of that.

We carry the weekly printout in the Operations Department further. We put information on different sheets, and give the sheets for the individual areas to the direct supervisor of the area. So, three or four days after the week is over, they know whether they were on budget or under budget or what was happening in that area.

On our coding for individual locations, we will code if a person will work half an hour, we will code it to a different location to keep the cost per location. That is so we will know each location.

CHAIRMAN BOUY: Do you get reports on a daily basis, like the next morning do you get a report telling you what you spent the day before? I know you mentioned weekly, I am wondering about daily.

MR. SANDERS: It is strictly the weekly. I guess it is down to the supervisors at least a couple of times a week to check over the employees' time cards. At that time they get a handle on certain locations.

CHAIRMAN BOUY: Let me direct this question to Bob Payne. I know they went with a similar system that we use. You went to the computerized ID card?

MR. PAYNE: Yes. It had bugs in it at the beginning. We get the computer writeup the next morning. We have what area you are in, but you still sign in manually, and the supervisor matches that with the computer.

CHAIRMAN BOUY: It is similar with what we do at the Marriott. Anyone else at the Marriott? I will entertain comments.

Al, how do you handle your labor control relations to time

cards?

MR. WEBER: We utilize time cards and get weekly reports, signed sheets on the rides. We are extremely lucky to have a marketing department hit close projections. We cut back on rainy days and large days during the year. We can't have daily reports.

CHAIRMAN BOUY: Fred?

MR. PEACOCK: We have the printout weekly. It is different at Busch Gardens in Tampa. We have year-round supervisors on our rides. Most of the ride supervisors have been there on a full-time basis from five to twelve years.

We depend on these individual supervisors to control the labor. I don't have to look at the printout to see if we are utilizing our personnel correctly or not.

CHAIRMAN BOUY: Do you have heads or foremen under the supervisor?

MR. PEACOCK: We have area supervisors. We have a flume ride supervisor; he has been with us twelve years. We depend on him. He has been at it twelve years; not like a 16 or 17-year-old foreman.

We don't have that many problems with the budget running away.

CHAIRMAN BOUY: Pat, I am assuming yours is similar?

MR. CARTWRIGHT: Don't make the assumption. In many respects with the weekly printout it is similar. Probably our system is identical to Opryland. It is identical when you are comparing the budget to the actual labor costs.

CHAIRMAN BOUY: My boss is sitting in the audience. We do everything the same in both our parks. Does anyone have questions in the audience on that subject of time cards.

We are going to talk about other things relating to labor control. On that aspect we use the time card. We are on computer and we get printouts the next day that match us up to the budget. We too during our first year had some problems with it. I guess all I can say is the key to it has been supervision involvement, manager or management involvement to monitor what is happening.

I talked with Bob Payne when they instituted it. They were having difficulties with it. People weren't getting paid right. The computer wasn't working, and they were doing all the manual work in addition. It was interesting to hear Bob say that it is starting to come together

Lamar, how about yours, how do you handle yours?

MR. PARKER: We get weekly printouts, not by rides, but we have to tally it by rides. Some of the other Six Flags parks get printouts by rides each week off the computer.

How we control the labor is daily. Twice a day our supervisors go around and take roll, find out whether we need to cut or beef the crews up depending on the attendance we have.

CHAIRMAN BOUY: Our computer reports come out by rides with a time assigned to each unit. All we have to do is look what we have

budgeted and the hours.

The key indicator is why was that labor so high on that particular day. It is then, Mel, in his case he calls in the area manager. We use the area manager concept. We say, why was labor high this day?

In some cases as I am sure you well know it is a case of labor not being used there. It was used somewhere else and not transferred.

In our case we make mistakes and sometimes are over-staffed. It is a good monitoring system for us.

Are there any comments or questions? I would be interested in knowing what kind of computer systems you are using, what kind of equipment. We are using NCR. Bob Payne is using IBM. I think they are both similar.

I guess they do it through telephone lines, Bob, and they run into the computer. The NCR system I believe it is light sensed through the little holes punched in the ID card.

We assign the people as they are hired right to a unit. Then if we switch them, we have to go through a manual transfer, but IBM and NCR seem to be the two initiators in that area at this point.

I guess I would not want to begin to say which one is better or worse, but ours has proven to be fairly reliable.

As we all know, the computer will generally give us back the answers to what we ask it. If we ask a dumb question, we get a dumb answer.

MAN IN AUDIENCE: What do you do when you transfer a ride operator to another ride?

CHAIRMAN BOUY: We have a transfer sheet and actually have to put their number off of there, the ID number on that sheet and then we have to put the new unit number on the same sheet and finance. They don't like to do it, but we do it.

MAN IN AUDIENCE: Is it fed in nightly?

CHAIRMAN BOUY: The next morning on a recap sheet. I guess I am going to have to ask Mel. If we get in on time, Mel, would you comment on that?

MR. BILBO: It will show up the next day, and if we get it in that evening, it will show up the next day. If not until the morning, it will be the next day. The whole thing starts back at the ride unit itself.

When a person is moved, say, for example, from the Turn of the Century to the Willard Wizard, the head at the Turn of the Century will note on his manual timesheet that he keeps the fact that someone is leaving his location, what time he left and what unit he is being transferred to. When the person arrives at the new location, the head will sign him in at the time he arrives and note at that time that he is being transferred from the Turn of the Century and that unit number.

CHAIRMAN BOUY: Bob, how do you handle it?

MR. PAYNE: Basically the same.

CHAIRMAN BOUY: Any other comments?

MAN IN AUDIENCE: I have a question regarding is it a central punch-in location or broken down by departments or areas?

MR. PAYNE: We have seven different locations throughout the park where they put in the ID cards.

CHAIRMAN BOUY: At the Marriott we have a central location or central locations with I believe five time clocks, ten clocks, basically the number is just for backup.

Any other comments?

MAN IN AUDIENCE: How important is the report you get every day? Do you implement what Lamar is talking about?

CHAIRMAN BOUY: How important is the manager reporting system that shows us where the labor was spent? How important is it?

MAN IN AUDIENCE: To help you control your budget?

CHAIRMAN BOUY: It is a monitoring system. The first question I would get if it is a day when it rained, and we had a budget of X dollars for 20,000 people, and only 8,000 showed up because it rained, if we did not cut that budget, my boss is going to be asking me why did you spend so much money?

It is a monitoring thing. It is our only way of looking every day. A week can kill you. If you blow your labor budget, you can do it by ten or twelve thousand for a week. That would be seventy grand.

We think it is very important to us. That is how tight we control our labor.

MAN IN AUDIENCE: Would you say you keep it tight on a daily basis and change your budgeting if it rains; how does the word get to the individuals?

CHAIRMAN BOUY: It is a monitoring system, but it lets you know if you have got a problem. Let's say it is a problem with supervision or with a head. Generally it is supervision in management.

The buck stops with us. If you have a guy padding his area with labor when he doesn't need it, we know it the next day.

MAN IN AUDIENCE: I mean your budget is cut, and you don't know it was going to rain. Do the people still report? If they do, do you pay them?

CHAIRMAN BOUY: We would like to know the same thing. How do the various parks handle it? It is a tough thing because we are a big company and we have reports made.

If it rains, and we don't call somebody and tell somebody not to come in, we have got to pay them. It was four hours, and I believe we have got it to two hours. The key is, if they come in and we send them home, we pay two hours. If they come in and work an hour, and we send them home, we pay them four hours. Am I right?

MR. BILBO: It is not exactly four hours. It is half of their show. If they are only scheduled six hours, we pay four. Most are eight.

MR. KINZEL: If we see some inclement weather in the morning, we get on the phone. In an awful lot of cases we have employees who will call in.

If they do show up, we don't pay show-up time. We do have an advantage where we house an awful lot of our employees. Most are living on the premises so we can cut very easily.

MAN IN AUDIENCE: Dick, you have a dormitory at Cedar Point; you don't have the problem of one hour, two hours, four hours. You feed them and sleep them. Your position is great because they live right on your grounds.

MR. KINZEL: We house in our division of Park Operations. We hire 72 percent of the employees.

MAN IN AUDIENCE: What happens on a rainy day then, are you going to pay one hour? You pay the whole thing whether it rains or not?

MR. KINZEL: No. If they do punch in and they work we do take the liberty of sending them home. We operate a master and daily schedule, and the daily schedule is dependent on the weather. In most cases the employees know, and they will call and find out if they should work.

MAN IN AUDIENCE: What do you mean if they live in your dormitory?

MR. KINZEL: They call in.

MAN IN AUDIENCE: You feed them too?

MR. KINZEL: We have cafeteria facilities, yes.

MAN IN AUDIENCE: I have a question, you talked about show-up pay, and if you couldn't get a hold of them, do you still pay them?

If it is inclement weather, and you try to call, and they are not home and they show up, do you still pay the two hours or not pay at all because you couldn't get a hold of them? How do you work that?

CHAIRMAN BOUY: I know the way it is supposed to work. I will let Mel tell us.

MR. BILBO: That is an easy one to answer. We are required by the State of California to pay them show-up pay of two hours. We do pay them two hours if they show up at all.

CHAIRMAN BOUY: California, and I am an eastern, midwestern boy, is the toughest state I have ever worked in in the amusement business. They give everything away.

MAN IN AUDIENCE: What do you do about the one in Illinois, do you work it the same way as California?

CHAIRMAN BOUY: Yes. We work it the same way. because we are the same company.

MAN IN AUDIENCE: The gentleman from Tampa who has a 12-year vet-

eran at the flume, how do your seasonable people handle the responsibility of mandatory budget? They have the responsibility of safe operations and good guest relations, and how far down do you carry that?

Do you give the seasonable head foreman or supervisor on the ride the responsibility of the budget?

I would be interested in the panel commenting.

CHAIRMAN BOUY: Dick, how far do you patch your budgetary responsibility down?

MR. KINZEL: We initiated a program last year. We call foreman training. We wanted to acquaint them more with philosophies of Cedar Point and make them more directly responsible for the budget.

In the past years we put a lot of emphasis on the seasonable supervisors.

In truth I used the story that we were paying the foremen to be the unit steward to tell the rest of the crew when the supervisors were coming to get things in shape; wanted to make the foreman feel he was part of the management team.

He is responsible in a budget way for the ride.

MR. PAYNE: We practically do the same thing. We call supervisors and it goes from there. We call supervisors and he checks out all the sheets every morning. It is his responsibility to go to our ride manager and say we are off on a certain ride. We have got some of our seasonable people into it now.

MR. SANDERS: I think the more explaining to our seasonable people why we do things, the better they will react. We want them to be aware of the budget, why we cut, why we cut when it rains and build up on busy days, and why we can't add an extra person. We try to keep them informed of what is happening.

MR. PARKER: We don't hold our seasonables responsible for the budget. We have four areas, permanent supervisors, and we have the four permanent supervisors associated with the budget. We build the budget for their area. We have seasonable supervisors that help them. The ride foreman runs the rides. He is not responsible for the budget. He has got a staff or crew he is supposed to have.

As far as the actual budget, it would be the permanent or the seasonable supervisors, or we have a small day or big day, we don't hold the responsibility to our seasonables.

MR. BILBO: At ours the area manager is a permanent area manager responsible for putting the budget together. He is given specific guidelines as far as attendance goes to the budget by day. We schedule by attendance levels.

Under fourteen thousand dollars and so on, if the attendance level does not reach projection, it is the seasonable supervisors' responsibility to make sure all ride units and other units are scheduled to whatever the attendance is going to be that day.

You can generally tell what that is within the first hour of operating day.

MR. CARTWRIGHT: Our permanent area supervisors are primarily responsible for the budget control. We don't get our seasonable people responsible. We do have assistant area supervisor for each one of the permanent area supervisors. They do get involved primarily in the permanent people. We do want to make our seasonable foreman and head aware of what we are doing.

MR. WEBER: We budget schedules first, and we are pretty closely alligned with the projections. We make the seasonable and head foreman responsible for notifying us if they are off schedule.

We make four different types of schedules per locations. The supervisors have direct responsibility to attuning the schedule for a missed projection.

They are the ones that go and ask people to go home or ask strongly to go home. We have only two full-time people. We schedule them for the budget.

MR. PEACOCK: Ours is not similar to Pat's. The area supervisors are responsible. We call them ride supervisors, ride foremen. We do have permanent ride foremen, and they are responsible for the budget and work closely with the area supervisor.

MAN IN AUDIENCE: I keep hearing cutting back; what kind of responsibility do you assume as management? What kind of hours do you guarantee your people weekly, seasonally; how many days do you expect operators to work?

CHAIRMAN BOUY: All I can say is the Marriott's standard point, we don't guarantee any certain number of hours. We endeavor to have a certain minimum.

Does anyone have any guarantees here?

MR. CARTWRIGHT: We don't have a guarantee. When we hire the employees, we try to give them a good idea what hours they will be working. We have a master schedule to tell the employee the scheduled shifts and hours. There is no guarantee.

We got into a situation in 1976, with the bicentennial. We had projected very high attendance for the park in Williamsburg. It didn't work out that way. As it turned out, a lot of the people did not work the number of hours they hoped to work. People working one half of the scheduled shifts. Normally it is not the situation.

MR. PAYNE: We don't guarantee ours, but we have a lot of kids under 18 and the Pennsylvania State law requires that we cannot work them more than 44 hours a week. We try to fulfill it. It is back to the weather again. We have a lot of kids under 18 that can work only a certain amount of hours.

MAN IN AUDIENCE: How many days to you schedule your operators?

CHAIRMAN BOUY: I think it is going to vary from five to six days.

Dick, are you still on the six day?

MR. KINZEL: Yes, still on the 48 hour week.

MR. WEBER: We schedule differently. We have a five day, 43, 44

hour week; a six day, 38 hour week, we used to fluctuate the levels. Each person would fluctuate.

CHAIRMAN BOUY: I know at the Marriott we are on a five day, 40-hour week. That does nothing but add more people to cover the gap. How about you, Pat?

MR. CARTWRIGHT: Six-day work week for the rides, six-day, six hours, 36 hours, and extra hours are available on double shifts. They can work doubles.

For our area hostesses, the people handle the park cleanup, the majority work 10-hour shifts, four days a week. It works out extremely well. I wish we could do that on the rides. We can't do it.

MAN IN AUDIENCE: With the exception of Carowinds and Cedar Point, what is the average distance your employees have to travel to work?

CHAIRMAN BOUY: Bob?

MR. PAYNE: We are in a small area, Hershey, we get a lot of local kids, college kids and high school boys and girls. We get a lot from Harrisburg, and I'd say the average is 12 or 13 miles at the most.

MR. SANDERS: We have in Nashville a lot of universities. A lot of people are close in town there. I guess we have a bigger percentage from Murphysborough 30 miles away. The average wouldn't tell us. Some drive 30 or 35 miles.

MAN IN AUDIENCE: Bob, you talked about 18 years of age. I don't know what laws are in your state in Pennsylvania or your other states, but in Ohio, everything -- you can't work anybody under 18 on a major ride. If somebody under 18 years of age is hurt working on a major ride, you are liable for triple damages.

MR. PAYNE: That is the same as ours, Doc Firestone, we hire 16 and 17 year olds. They work in the refreshment. On the rides they are all 18 or over.

DOC FIRESTONE: The kids who handle the motor must be away from where the ride operator is; otherwise there are damages there. Now I visited a number of parks during the summer.

I am retired and I have nothing else to do. I am still interested in the industry, and I find and I look around and see a lot of parks with a lot of employees under 18 years of age. Beware, gentlemen, look up the state law. Thank you.

MR. SANDERS: In Tennessee, Opryland, the State law we have had to accommodate with the Labor Board on our 18 year olds and under. They have picked out or helped us decide how to classify the major ride for 18 years and older. Some of the major rides we are able to use under 18. We try not to.

CHAIRMAN BOUY: I think, Doc, if I am right on this, there is a federal law that has a loose interpretation. I know our company has investigated it. Our legal people have look at it.

It came up with the fact that the unions were strong in putting young people working on machinery as to whether you want to interpret a ride as a piece of machinery, and it certainly is.

It is vague and really has not been tested. We have looked at certain types of rides. It is obviously not the coasters or the rides where you need a conscientious individual working it. We have looked at those too. As to areas to put 16 and 17 year olds.

I would generally guess we all endeavor to put the 18 year olds on all the rides. Our attorneys have said, and it just makes sense, if we have an accident on a ride, it doesn't make any difference, we are going to get sued, whether he is 15 or 50.

I think we all try to stay with the 18 year olds on the major rides, although I would agree with Doc Firestone a lot of smaller parks where you are forced into it and the smaller market that you are using 16 and probably 14 and 15 year olds.

DOC FIRESTONE: Keep in mind the triple damages under 18 on a major ride.

MR. PAYNE: We probably operate our rides a little differently. We have two shifts on Monday through Friday they work 10 to 4, and 4 to 10.

If you are on the morning shift and work from 4 to 10, then you are off Friday afternoon until the next Monday afternoon. Then the shift that is working the night shift will work the 12-hour shift Saturday and Sunday. The next week is vice versa.

We are located where a lot of the kids like to go to Wildwood, New Jersey, and Atlantic City and get a long weekend, and they love the situation we have for them.

MAN IN AUDIENCE: John Cummings, Valley Fair, 12 hours on one ride -- the fatigue time, isn't it something that should be considered?

MR. PAYNE: We consider it seriously. And we have been fortunate with it. The kids like to do it. We have a lot of kids working double shifts, work a lot of double shifts in the park. I think probably a lot of fellows in the panel the same thing happens in their parks.

MAN IN AUDIENCE: I wanted to ask about your letting the folks have every other weekend. How do you handle your head?

MR. PAYNE: Supervisors work the same shifts as the ride operators do.

MR. HENNINGER: We were on seven days a week, 12 hours a day. One year we switched to 8-hour shifts with a lot of resistance from the people that had been there a few years when we did. We did enforce it. After about a week, it made a wonderful change in the park. We were surprised.

CHAIRMAN BOUY: They were on seven days a week when they went to six days.

MR. WEBER: At ours the employee attitude got better.

MAN IN AUDIENCE: The comment on the double shift, when an employee or operator has a double shift, does it constitute over-time pay?

MR. PAYNE: It does not in our state.

CHAIRMAN BOUY: I know it varies. In California it does. Do you have to pay over-time after 8 hours?

MR. WEBER: We are not allowed to work double shifts.

MAN IN AUDIENCE: A question on over-time pay: when you work a double shift, do you work a double shift because you are short or because you want to keep the employee on?

Why would you do that and pay double time and time and a half rather than to relieve the person and get off on a cheaper budget?

CHAIRMAN BOUY: I am going to generalize. I would venture that you allow the employee to work the double shift because you need him. It is generally early in the year and late in the year when you are short of help, not just for the sake because he is a good guy and I will let him work a double shift.

There are people who volunteer for over-time. Other than as Bob said, I get the feeling you actually scheduled double shifts?

MR. PAYNE: Just in the ride areas.

CHAIRMAN BOUY: Anybody else service double shifting? Al Weber from Taft mentioned they have a state law where you can't work them like that.

MR. PARKER: Well we will let them work the double shift. We don't have to pay over-time. Sometimes they work a double shift for another employee when they need a replacement. They will work the double to replace them, and usually they will return the favor later.

MAN IN AUDIENCE: When you run a double shift, what is the attitude of the employee?

MR. PAYNE: Very good, they like it. They seem to like it more. We took a vote. We were going to change the policy. They wanted to work that way.

MAN IN AUDIENCE: How about the safety rate?

MR. PAYNE: Lower this year than ever.

CHAIRMAN BOUY: Any other comments?

MAN IN AUDIENCE: The work force, what level would you put someone on salary where you would guarantee 40 hours, for instance the work force?

CHAIRMAN BOUY: The question is at what level you put people on salary versus an hourly rate, is that correct? You refer to maintenance?

MAN IN AUDIENCE: You mentioned 8,000 attendance in lieu of 20,000. You have to have token maintenance force.

CHAIRMAN BOUY: I gather everyone is the same. We have full-time employees and seasonable employees. The area where the heaviest labor force and the full-time employees is in maintenance. That is fixed. They get paid 40 hours a week.

We keep it as tight as we can. They are into a routine maintenance, and the seasonable maintenance director is not here I guess I would entertain comments from the panel.

I don't think our maintenance fluctuates a lot as far as seasonable maintenance, not like ride operators or food hostesses. Those are the big volumes of employees.

Anyone here on the panel have a comment relative to cutting back on maintenance when it rains? They are generally hourly people. We don't have seasonable maintenance. It is a fixed full-time staff in our park.

Onto the next subject. We have a particular problem with employee absenteeism.

I don't think it will take a lot of time, so I would like to have some of the panel members explain what they do with their absenteeism factors.

Dick, how is your absenteeism running at Cedar Point? Relative to ride operations, it used to be like five a day.

MR. KINZEL: I don't have a percentage, Jim. I do know as the season progresses, it gets progressively worse. We also find we have a much higher absenteeism rate with local employees rather than with the individuals we house. We do take disciplinary actions against it. It is grounds for dismissal, and unexcused absences are spelled out in the host and hostess guidelines booklet.

CHAIRMAN BOUY: It used to be 90% of the absenteeism was in local employees. Of course, they have the big advantage of having 700 people housed right on the property, so their absenteeism was almost nil.

Bob, how does your absenteeism run as Hershey?

MR. PAYNE: I would say basically about the same.

MR. SANDERS: I don't have any percentages but roughly 500 employees, I would think five or six per day in July and August. Now toward the end of August and the fall weekends we are open on fall weekends, September and October. It was pretty bad this past fall, football games and stuff. It was probably higher, 10 or 15 on some of the Saturdays.

MAN IN AUDIENCE: Before we get too far into absenteeism, what you are meaning by your definition, just people who just don't show up for work or call in sick?

CHAIRMAN BOUY: Essentially the same difference, people who don't show up on a given day, you need X amount of people. If you have five hundred people to fill your schedule to take care of the projects, let's clarify and say they call in or don't show up, the combined total, you have 15 or 20 a day.

I would like to explore how we take care of it, what the areas are geographically. Is it different in the east or midwest?

I guess it is relative to Saturday and Sunday. How do you cope with it?

MAN IN AUDIENCE: I see two different situations. You have to cope with the person who calls in sick an hour or two ahead of time or the person who doesn't show up.

CHAIRMAN BOUY: Virtually you have to replace them. It is still on short notice. I am guessing some people use a labor pool they get on the phone and call. Other people carry extras. I would like to entertain comments.

MAN IN AUDIENCE: I was hoping there could be some differentiation between the two.

CHAIRMAN BOUY: I gather that the panel members don't have detailed percentages. If 10 people don't show up, they don't know if five called -- does anyone know do five call in or not show up?

MR. SANDERS: All of ours call in or they don't come back to work. If they didn't call in or didn't show up, we would let them go.

MR. CARTWRIGHT: It varies greatly according to the time of the year, June, we have two or three people. It gets in August up to around 10. Occasionally 20 people won't come in.

We try to plan for it.

MR. WEBER: We usually average four and five in the summer. Unfortunately when prom time comes along, they seem to all date each other. We get 12 or 13 a night. For some reason we will be very very short on Saturday and Friday nights.

CHAIRMAN BOUY: Do you use a labor pool, Al, to call up or carry what we call extras over the years and have five people come in extra everyday?

MR. WEBER: No way I can say we have extras. It fluctuates. We try to take past year experiences. We get a good staff during the school time people. We will go to 20 people. We have 275 employees in the summer.

In the mid-summer we give vacation and vacation cash pool. We have a philosophy of trying to let them off for legitimate reasons. They won't try to sneak around or say they are sick. We have been successful with that.

We were worried about penalizing the people who lied to us. We never really complimented the people. We try to help the person with the legitimate reason. We have a good percentage of reporting.

CHAIRMAN BOUY: Fred, you don't have trouble?

MR. PEACOCK: We don't have a major problem. When I first went to Busch Gardens, we had an operational pool. For the last two summers we had an operational pool. You are not going to let me live down the 12-year men.

CHAIRMAN BOUY: I wish we had some of those.

MR. PARKER: We carry a casual pool. Weekdays it runs 15 people. Weekends none are off. All are there on Saturday. We have 20 people there on Saturday. We do distinguish. There is a difference between people who call in and who don't. People who don't

call we have a three, no-show policy. If they don't show up three times, we fire them.

Once we get the first notice, or no show, we sit down and go over why they were out and try to find a valid reason. We explain how important it is for them to be at work. We ask not to have it again. It is marked cancelled with the supervisor and kept in the personnel record files.

Let me state for call-ins, we ask that they call in 45 minutes before their shift starts, so we would be able to replace them out of the casual pool. We don't ask the call-ins to bring in doctors' excuses. Later on in the afternoon we will give a call back to see if they will be able to come back to work the following day.

MAN IN AUDIENCE: With procedures like scheduling and absenteeism, do you work hard to make those exactly consistent with your other areas? Are there sometimes in some cases where rides have different policies than employees in other areas?

CHAIRMAN BOUY: I am going to generalize and turn it back to the panel. I am guessing from my experience that the policies for the operating department, food, merchandise operations, and shows, are I am guessing, all going to be the same; that they generally -- I am guessing, the personnel department controls them as our personnel department controls them.

Am I right on that? Would you say it follows for all of the operating departments?

MR. WEBER: Schedule-wise we have different types of peaks. The actual schedule fluctuates. The longest shift is in the operational department. Merchandising we have half shifts. Food service, I don't know their shifts, little shifts here and big shifts there.

It is actually designed to take care of the peaks on a given day, large lunch or evening crowd, and merchandise has a late and early crowd, because they are hopefully on the rides.

CHAIRMAN BOUY: How about the policy, do they generally follow the same policy, three no-shows and they are out?

MR. WEBER: I am more in agreement with Keith, one no-show; no-call is grounds for termination. We have a different situation in un-excused and excused absences where you don't have to call in to get an excused absence. You can call and say I am going to the Beach Boy's Concert. He is sometimes brought in to have a reprimand. We try to be reasonable. If it is a fairly good reason, if they come in a couple of days before, okay.

CHAIRMAN BOUY: Any other questions?

MAN IN AUDIENCE: I would like to comment on how the time card area is supervised. Does the supervisor stand by when the time cards are punched in? How do you keep someone from punching for his buddy? Do your employees change into costume after they punch time cards or before?

CHAIRMAN BOUY: I think we are going to get different answers. Bob, I will let you begin as a start.

MR. PAYNE: We usually have a security man at our locations with

the electronic time system. Everybody checks out electronic time system before he takes his wardrobe off which is in another building.

CHAIRMAN BOUY: I know you get a computerized report on the time system. Do you have your manager or supervisor, whoever controls the reports or reviews them sign that? Is it monitored?

I know you said you keep a back-up system.

MR. PAYNE: He also signs it.

CHAIRMAN BOUY: I am gathering we have a majority of everyone using time cards. I would guess that the supervisor in all cases signs for the hours that the employee worked at the end of the week, is that correct?

Do you pay them for the time they dress? For a starter, we will let Mel tell you how we do it in the two parks as far as walking and dress time. It sounds like a small thing, but it is a lot of dollars involved.

MR. BILBO: I will comment the way I understand it. Again the State of California comes into play. Technically we are required to pay dress time, however, the host and hostesses do not punch in until after they are dressed and punch out before they undress at the end of the show.

We pay walking time, time from the location to the time location and time from the timeclocks back to the location. I believe 16 minutes or 15 minutes each way is the maximum we will pay.

CHAIRMAN BOUY: A comment from Al, how do you handle it?

MR. WEBER: We utilize time cards, and they clock in before they come into the park. They have already changed their clothes. Then before they change back into their own clothes, they use sign out sheets on the location.

Time cards are only to register the daily and weekly hours. We pay walking time. We look more closely at the shifts that they are assigned to. If a guy punches in half an hour before, we don't pay him. We look at the shift he is assigned to. If he is assigned 9.25 hours a day, we will get it. It is approved by the supervisor daily.

CHAIRMAN BOUY: Pat?

MR. CARTWRIGHT: We do not have time cards. We have sign-in sheets at every location. When he arrives at the location, he will sign in the time he arrives. He also has his own time sheet that he fills out. At the end of the week he turns it into the supervisor. It has to be approved by the supervisor before it goes to the payroll.

CHAIRMAN BOUY: Any major differences? It kind of goes back to the area manager. Other than the policies of walk time, he has to control it and sign it or delegate it to a supervisor.

It gets back to the people thing. If you have a strong seasonal guy, you can delegate down. If you don't have it, you have to control from your management. I think we all know we have to

monitor that. We are the people on the hook for it, not the guy who is going to go back to school at the end of the summer.

MAN IN AUDIENCE: I'm getting back to the subject on absenteeism, do you have any problems, any of the panel members or somebody else, on 16 or 18-year olds with their parents calling in for them?

They don't want their son or daughter to come in that day, would rather have them go with them someplace else. How do you treat that?

MR. SANDERS: Our supervisor is shaking his head. The parents call in and request the kids go on a vacation or outing, and we try to explain to the parents, we try and talk them out of it.

If the parents insist, it would be an unexcused absence. We would tell -- depending on the situation, we do have a vacation policy from the middle of June to the middle of August.

We allow an employee to take an unpaid period of time off. If they get somebody to work those days for them and agree to work double shifts to make up for the time when they return, most people take advantage of it and it alleviates some of the problems with the family vacations and reunions.

CHAIRMAN BOUY: Another question?

MAN IN AUDIENCE: Does Bob find giving every other weekend off that he has less absenteeism in the latter part of the summer?

MR. PAYNE: It is an easy question to answer. I think everyone does it in August. We have a real problem in August with the kids going on vacations, got football camps, band schools, cheerleading schools. We have to double up or cut down on some rides. We have a problem in the middle of August.

CHAIRMAN BOUY: Did everyone hear the question? By giving every other weekend off, does it cut down on absenteeism. From what I gather, he said he does not in August in a particular time.

MAN IN AUDIENCE: Getting back to the parents, how much of that do you let go on before dismissal?

CHAIRMAN BOUY: I think the comments I got in general from the panel here was they try to deal with it. I am gathering we do the same thing. If we can do it, and it gets tough to justify with a lot of people, you try to talk them out of it. If you can't you treat it as an unexcused absence and work with the employee when they are back and ready to work.

If they are going to be gone two or three weeks, and I know Cedar Point would terminate them. When they came back if you had a job opening, fine, they lose their seniority.

Does anyone here treat it like that?

MR. BILBO: First of all, going back to the parents calling, one thing we do with our employees, first of all we remind them that they work for us, not their parents or anyone else.

At any time they have to do business with us or have problems, it is their responsibility, not their parents' responsibility

to contact us.

Also, if a parent does call, we will explain that fact. We need to talk to the employee. We are not treating it like high school where mom or dad can call in and say John Doe is sick. We have to have John Doe call us.

MAN IN AUDIENCE: At Valley Fair we are trying something a little bit new. It is an individual incentive program we put on the individual. We found we have the problem like you do with the 16 year old, and an interesting thing that has come up; by putting it on an incentive basis, an incentive to show up, we have a sweepstakes

It is a weekly and monthly contest. If they work the weekly hours, they go into a drawing. We have everything from radios up to a car at the end of the year.

We found this kind of incentive important to the individual. If he doesn't show up one day or calls in, he won't be in the program for that week. We have found some positive indicators that it is starting to work. We give them the incentive instead of putting the pressure on.

MR. OTT: Some of you have a specific opening time for the operations. How long before the opening time must the employees be at the operation?

CHAIRMAN BOUY: I am going to guess generally it is between a half hour and 35 minutes. Why don't I get a guage here?

Dick, can you tell us, you have got the biggest group. Do you still bring the initial crew in a half an hour before?

MR. KINZEL: Half hour before the ride is open and responsibility is to clean the station and the queue lines. It is 30 minutes.

MR. PAYNE: In our operation we open at 10. We open the gates at 10 and start the rides at 10:30. Each operator of a ride must be at the location at 10. It is a half hour before the ride starts.

MR. SANDERS: It depends on the prep time for us. Most of the rides are half an hour before for cleanup and preparing for the ride and safety checks. If the rides are 15 minutes, some of our location area hostesses come in right at opening time.

MR. PARKER: Some of the hosts and hostesses will come in early and do other jobs besides cleaning the rides. If they come in to help clean, they may come in 30 minutes.

Just for a ride, we request 15 minutes before the ride starts however, if they get there five minutes, and we don't penalize as far as being late. We will clock in at 10 or when the ride opens.

MR. CARTWRIGHT: Most of ours are 15, but a few are 30 minutes.

MAN IN AUDIENCE: I have a two-fold question. First of all, the gentleman said if they had a vacation program, when they came back from vacation, then the people had to work double shifts to make it up. It would indicate that there are a certain required number of shifts they have to work.

Secondly they apparently come in early and you are not pay-

ing them?

CHAIRMAN BOUY: The assumption is when they come in, they are being paid. It is the initial group to clean the rides and get it going to take care of them. I am sure it is a minimum schedule and builds up as the crowd goes.

First part of your question --

MAN IN AUDIENCE: Directed to vacation. When they were required to make a double shift?

MR. SANDERS: We say that they are required to work double shifts. What it means is if we get in a bind, then we go to them, and they owe us, so we claim what they owe us, but it is strictly on our request. If we don't need extra people, they don't get to make up the time they missed unless we want them to.

MAN IN AUDIENCE: I wanted to ask -- obviously there is a lot of experience up there. There must be some of you who could answer this question philosophically, how you are dealing with youngsters.

I guess you have got a hard line approach. You don't show one time, and you don't have a job. I wonder if it is a fact. Can you enforce it all of the time?

If you can't, is it in effect farcical? Can any of the guys with experience tell me what they consider the best approach to handling no-shows based on your experience?

MR. WEBER: I understand, and sometimes we expect an awful lot of the young people. We try before they commit the crime against the policy we explain what we expect. I think it is one of the most important parts. For some of the people it is their first job.

Maybe they want to do something, and they are not schooled in some of the responsibility of a job. If we explain firsthand what we expect, we have a set policy. It depends on what extent they did us wrong. If they lied and said they are sick or didn't show up, and it is a bad reason, we will fire.

The worst thing is to be inconsistent. If you don't fire them because you need them, you are doing a misjustice. If you state it and say you are going to do it, you had better do it.

CHAIRMAN BOUY: Anyone else that really takes that hard of a line? Let's not say they lied. If you can prove they went to a ballgame and told you they were sick, you will dismiss or give them a written warning. Does anyone take the hard line?

MR. SANDERS: We do pretty much of the time. If the employee has been a good employee in the past for over one or two or three years, we will take it into consideration. If he did do something and forgot to call in or any kind of a reason and it was a good employee, we will take it into consideration. In most cases we do let the employee go if they don't call in.

CHAIRMAN BOUY: I know other personnel people are very involved with us. I again realize that those of you with smaller parks, you as owners and operators are actually the personnel people.

I am just guessing you are trying to be fair with everyone, that you want them to be fair with you. Pretty much I guess even though they have a hard line, I would guess they try to be fair.

MAN IN AUDIENCE: Jim, do many of the people on the panel have any experience with weekly or monthly meetings with the employees for any type of orientation? Is there anybody with experience who finds a good orientation program solves some of the absenteeism?

CHAIRMAN BOUY: I am going to speak for the panel because they are all representing big parks. From my conversations with the guys, I know they all have personnel departments and put on an orientation and publish a nice book. That is the personnel end of it.

In addition I am sure every one of them goes through it again in orientation to their departments. They will have personnel orientation meetings relating to rides. They cover the policies verbally in meetings. I know we have individual meetings throughout the season on a weekly basis.

I know the labor employee personnel thing is a big item in the parks. Speaking for the big parks, we do it, and we are kind of forced into it, because of the large numbers of people we deal with. We have to cut the turnover down as you all know, and it is an expensive thing and can really hurt you.

If there is anyone here on the panel who does not meet with their people, both with personnel and within your own departments, say so.

MAN IN AUDIENCE: My question was, generally speaking, do ride operations management take care of the infractions or turn it over to personnel?

CHAIRMAN BOUY: I am going to generalize again to keep it moving. I am going to say it takes place in the departments where the infractions occur. If it is in food -- in some cases the follow-up -- I guess it should be in all personnel that are made aware. They also have a record, and it is getting to be a way of life.

Because of the federal involvement and labor laws, you need to keep a file, and three or four other people need to know about it. It is just being fair with people.

WOMAN IN AUDIENCE: In our park our ride operators consider themselves the gods and goddesses of the park. You said you bring them in 30 minutes before operating time. They clean up the rides.

We have a big big problem. They refuse to. They do see the necessity when someone is sick. They will clean the rides then. I even found chicken bones on rides. How can you get them to do a good job? What do you call cleaning up the ride, polishing and washing anything, or just what?

CHAIRMAN BOUY: Yes I am going to generalize. It goes back to your personnel orientation. We generally say cleanup is everyone's job, and they come in and polish brass and sweep. They pick up the chicken bones.

I have my boss, and there are a few times they didn't do it, and we hear about it. We all know you have to keep on top of it. It is relentless management. The key for the owner's operators

is to be out there taking a tour of our property. If we see something wrong, we bring it to the attention of the guy who is supposed to take care of it. After you do that two or three times, and he doesn't take care of it, we will get somebody that will take care of it. Again it is a constant thing.

We depend on our Personnel Department for motivation. We take our problems and we bring them up in front of everyone.

MAN IN AUDIENCE: Bob Howard, Libertyland, let's be realistic about the firing thing and move on with the program. Each one goes on his own merit. You are not going to fire a very very high-skilled person on the ride who pulls the brake on the roller coaster. You are going to bend.

I have a question; how many of the people for example are not hiring second-year employees on the rides?

CHAIRMAN BOUY: If you said third year, you might get a raise of hands. I think Disney started the one, two, up and out philosophy. I guess we have used it.

If you cannot promote the third year employee, you had better not bring him back because he is going to be trouble. There are people that come back and are happy to do the job. I would guess that the rule is -- I didn't see a show of hands on second-year people.

Mr. Howard, are you hiring second-year people?

MR. PARKER: We will hire them, but we are not getting third-year people.

CHAIRMAN BOUY: We can't discriminate like that.

MR. PARKER: I might say to the earlier statement, if a person gets three no shows and he is ride foreman of the Texas Cyclone, he is gone. We can't discriminate. Just because he has been there three years, we can't discriminate. The year he decides he is not going to follow the rules, he is out.

MR. BILBO: Last season we dismissed an entire flume crew in the middle of the day, because of gross safety infractions. There was no thought of keeping them around because we had to shut the ride down.

MR. HOWARD: I would say the problem was in supervision and top management in the ride department.

MR. BILBO: I disagree with you completely.

CHAIRMAN BOUY: Are there any other comments?

MAN IN AUDIENCE: Jim, I haven't heard a word from you about the bonuses. I think it is a big incentive at Kings Island. We had a bonus when we paid 15¢ per hour for every hour that the seasonal employee worked providing they stayed during Labor Day.

In 1976 we dropped the bonus and it had a detrimental effect on the people wanting to take vacations and no shows.

We brought it back last year, and practically nullified that.

I think it was at least on our part a good move to bring the bonus back which really does help control the people who want to take a vacation and go with mom and dad. Perhpas it could be a one hundred or two hundred or three hundred hours they have worked.

CHAIRMAN BOUY: I know we at Marriott do not use a bonus system.

Just quickly, Pat, do you use a bonus?

MR. CARTWRIGHT: We used to use the bonus. We did away with it. We do not use it at this time. I, however, personally strictly agree with you. I think there is a lot of merit to the bonus system. Our company's decision was not have a bonus this year.

MR. PARKER: We use bonuses at Astroworld and Georgia does. Texas did not. We are going to next year. Mid-America, I don't believe they do. We have mixed emotions.

At Astroworld it is definitely a benefit. We have a strange bonus as compared to anything we have had before. We think the bonus system works.

CHAIRMAN BOUY: I think you will get mixed answers on the bonus. I think it is something we all within our own particular labor market have to justify.

I tend to think it works because I used to work with it. We have two different parks and two different problems. In the California market we don't have a labor problem. In the Chicago mid-west market we have a labor problem. I think it depends on where you are at and the number of people you are around.

MAN IN AUDIENCE: I have a question with regard to employee problems in terms of your administrative system that you use. For example, OSHA requires I believe that any time there is an OSHA violation on your park, you properly record that for record keeping purpose.

You have talked about unexcused absences. Certainly there are violations with regard to safety problems. Do any of you have a system set up where you accumulate that kind of information with regard to individual employees?

CHAIRMAN BOUY: I am gathering you are talking about accidents and date relating to accidents.

MAN IN AUDIENCE: The whole area.

CHAIRMAN BOUY: Again I am going to generalize. I know everyone here keeps records. As I said before, a copy of an absenteeism gets made out. It goes into the jacket. It will note the absence excused or unexcused.

Personnel get a copy. I know we have it as big parks. I remember when Cedar Point did not have it. They weren't always big, and I will gather some of the smaller operators that you keep some kind of records and probably it depends on how formal or informal it is. If you are not keeping them, I would guess you will have to get to it real soon.

Then going on into the accidents, I would guess some of the general things, later there is a panel, and they are going to cover the general things on the entire park.

So if any of you are going to be around, I am sure a lot of the same things will be discussed. There is a panel of general managers who are going to meet after this group.

MAN IN AUDIENCE: Comments on the bonuses, we are basically a children's kiddie park in Melrose Park, just outside of Chicago. We used a bonus system for a number of years to keep employees through the season, not just through Labor Day. It was 15, 20 or 25 cents, based on the merit system.

This year we did away with it because of the Illinois adoption of the minimum wage, so what we did in place was to keep our employees and try to make it more fun to be there. We would draw from the neighborhood. Once one gets there, they form a pretty good friendship and become more fun for the people who come.

We did not have too much of a problem. They were a little disappointed, but they got more money this year than last year, so it didn't work out too badly.

CHAIRMAN BOUY: I'm going to skip here, because I think it will be of interest to everyone.

I would like to ask the panel members here what their top three goals for 1978 are? We probably all have just finished our season or are close to it. We have time to think about what the problems were. I would like to go down the line and give you an idea of what everyone is going to be working or concentrating their efforts on for 1978.

Dick, what are your top three goals?

MR. KINZEL: Number one, pretty much I think it reflects the industry. One we want to improve our safety record, number one.

In some years we feel we can work on our winter to improve some of the rides in those areas. We want to improve employee relations also. We want to improve the housing facilities and our food program we have for our employees.

The third objective really, we have put a lot of emphasis on recruiting. We want to update some of the recruiting.

CHAIRMAN BOUY: I want to ask the panel, is there anyone who does not have safety as their number one goal for 1978? Is there anyone on the panel -- raise your hand if safety is not your number one goal.

I think we all in the rides area are addressing ourselves to that problem. We are the Marriott Corporation it is self-insured and we are looking at big dollars. Our goal is to cut those dollars or our cost by 50%.

I don't know what happens if we don't do it. My boss is sitting in the audience. He hasn't told me either. I hope I am here next year. I just wanted to point it out.

That is the conversation of anyone I have talked with in the industry, safety. We all know the Federal Government is getting involved in it.

We have consumer products liability getting into it. I have

talked to some small park people hiring safety directors, full time safety directors, and they are shuddering.

How am I going to control the guys? There is a lot of concern in the area. I don't want to get into the subject. I want to share it. Why don't you tell us your other goals?

MR. PAYNE: We would like to develop and keep working on it, which we never did before, it comes with safety, a training film we never had before.

We know a lot of the major parks and smaller parks have it. We hope to develop it by next spring. One of the other things is employee relationships. We are always trying to come up with an incentive program. We cannot come up with the right one. I know some parks do have it. I would like to talk to someone when it is over and explain.

My boss is out there just like Jim Bouy's. Every year we have a great attendance. We have to do better next year. It is always the way it is going to be.

CHAIRMAN BOUY: Keith, can you tell us about Opryland?

MR. SANDERS: To further improve our training procedures at Opryland, we have a slide presentation we used on the rides. We use it for on-the-job trainig. We want to get better detail on the programs and better procedures. We will work on that a lot this winter.

Another goal is getting the budget picture to be a realistic picture, what we use and the money charged at the right locations. A little bookkeeping will be part of it. That is the last thing we plan to improve in except for off-season revenues. We are concerned about increasing the money coming in during the off season.

CHAIRMAN BOUY: Lamar?

MR. PARKER: We want to improve guest satisfaction. One of the main thrusts we worked for each year is guest satisfaction.

Another big area we are to try to improve is employee morale. If we can improve that and lower the turnover, we will have better guest satisfaction.

MR. BILBO: Okay, besides safety, the next thing we want to do is cut the employee turnover through new scheduling procedures at some point reaching the time that we can guarantee our employees a minimum of approximately 35 hours per week.

The next goal is improved cash control area to cut down the overages and shortages and that sort of thing.

CHAIRMAN BOUY: Pat, how do you feel?

MR. CARTWRIGHT: Outside of the safety factor, I will be honest that number one comes under the budget. After St. Louis got done cutting it's budget, it will be difficult to do.

After that, one of the biggest goals is improve on and increase employee motivation.

MR. WEBER: We would like to keep a pretty efficient mid-season training program, not just for the new people. I don't know how many slight the mid-season employee. I think we do. We will have a mid-season re-training program. This will insure the person starting in April that he still understands what he is supposed to be doing in July.

The third goal is intra-department rapport. I think a good park teamwork effort needs to be done.

MR. PEACOCK: Safety is first. Second is operations took over training of everybody in the whole Gardens. One of my chief goals is to get an excellent training program. We have got a pretty good one. We are going to get a better one.

Another is to meet the budget. Tampa has another problem. We tried to really boost the morale of the employees, especially the year-round employees. We are open 365 days out of the year.

We have a lot of employees we start at \$2.65. We have employees who have absolutely no responsibility that can make \$3.30 an hour as a regular ride operator, plus they can get up to three weeks of vacation.

The major goal is to come under budget with the expanded called-for budget, and the guy who has been there twelve years, if you all knew what he made, there would be a lot of people applying for that particular job. If a regular operator gets \$3.00 an hour, a supervisor makes quite a bit.

CHAIRMAN BOUY: Safety seems to be number one and also the communication of employee morale, and employee turnover and training seems to be the number two goal that everyone is working on, and, of course, that will give us a better safety record and budget record and better guest satisfaction.

I am just going to wrap it up here. I would like to entertain a comment from each one of the panel members.

Unless you really have an important question that you feel you have to ask, I would ask that you would ask it later, because there is another panel coming on. Feel free to get with any one of the panel members later.

I would like to ask briefly for each of you to tell us what uses up the most amount of their time. What do they spend their time on in a normal operating day, the thing they spend more time on of their daily chores.

Dick, why don't we start with you?

MR. KINZEL: Well, the one area that probably takes up most of my time, it is an area I am going to improve and spend more time on is communications.

We communicate with the three operating managers, live entertainment, rides, park services and admissions. We are on a daily communication system. We don't discuss all of the problems in the park. We will go to lunch or go on tours. We talk constantly and take daily tours with one of the managers. It is the most important part of the time.

If there is a problem, we can take it accordingly. We work together as a group rather than as individuals.

MR. PAYNE: I would like to spend more time in the air conditioned office on a hot August afternoon, but I spend most of my time watching the ride operations.

This year the great bit of it was at the front gate. We put in a new two-gate system. I wanted to see how it operated.

How do we do everything we are supposed to do? Usually my area is more or less rides generally, but diversified because we have so many other areas under us.

MR. SANDERS: I asked my staff to help me with the question. I did not like the answer they gave me.

I spend the bulk of my time planning committee meetings, arguing over what to do.

Second would be spent at the front gate with revenue and guest relations problems.

MR. PARKER: Most of my time is spent in the rides area, because they are in charge of so many things, front gate sales, operations of the rides, guest relations, and that area ties up a lot of your time. It is a big area and has a lot of responsibility.

MR. BILBO: Yes, mine goes right along with Dick's. I have lots of meetings, not only your normal staff meetings, but general park meetings. We have employee meetings, supervisor management meetings, and so on.

MR. CARTWRIGHT: Jim, I gave a lot of thought to the question and arrived at no one answer, because it varies considerably during the operating season. I see my staff waiting to see what I am going to say.

During the summer I do spend a vast majority of my time in the park, not because I have to, but because I think that is where it is at. You can't run a park job sitting behind your desk.

MR. WEBER: I agree pretty much with Pat. I think it is important to be out in the park and establish good rapport with the employees. I will work harder and come up with suggestions to the problems and their suggestions. Another problem is seeing first hand the quality given to the guests.

MR. PEACOCK: I spend a lot of time out in the park. One of my main things that I do, I coordinate -- I have a lot to do with a lot of different departments, not directly, but I handle a lot of the co-ordination between different departments whatever problems they might develop. Between problems and helping them out, any way I can --

CHAIRMAN BOUY: I thought we would get a few different answers. Basically I guess what everyone was saying they are managing their departments. In order to do that, they have to communicate, meetings go along with it and being out in the park.

I was kind of looking for something like, well, I spend most of my time talking to my supervisors trying to keep them straight.

Evidently there was a reason not to have a loaded answer up here.

I guess it is drawing close to the next panel and I would like to thank all of the panel members here. As I said before, I know all of these guys, and I am sure if you corner them here after the show or drop a line in the mail, that they will share their thoughts and experiences with you.

I get the feeling from the convention that this year has drawn a whole group a lot closer together, both the small parks and those of us that consider ourselves the big parks, but we all have the same problems generally just bigger or smaller.

Thank you.

... Part I of the workshop was concluded at 3:30 p.m. ...

RIDE OPERATORS AND THEMED ATTRACTIONS WORKSHOP

SUNDAY, NOVEMBER 20, 1977

ROOMS 4, 5 and 6--RIVERGATE

Part II of the Ride Operations and Themed Attractions Workshop convened at 3:30 p.m., Lee Derrough, Worlds of Fun, Kansas City, MO presiding.

CHAIRMAN DERROUGH: I'm Lee Derrough, the Vice President and General Manager of Worlds of Fun, Kansas City, Missouri. I would like to welcome you to the 1977 edition of the Themed Attractions Workshop.

I'm really happy to have such a prestigious panel with me today, and I would like to introduce them to you. We have the world's youngest general manager, who is sitting here to my right, Truman Woodworth. No, seriously, Dennis Speigel is here to my right; he's Vice President and General Manager of King's Dominion, and a gentleman who I'm sure many of you know is Truman Woodworth, who's Vice President of Administrative Services of Marriott's Great America, to the far right there.

And to my left, immediately, the greatest turn-around artist in America today, Mr. Bill Crandall, who's Vice President and General Manager of AstroWorld; and then a gentleman who to me always looked like a master sergeant in the Marine Corps, and I guess he actually was, Julio Pierpaoli, who is Vice President and General Manager of Opryland.

We've got some questions that we have spread amongst ourselves that we feel are topical at this day and time concerning the theme park industry. I'll read the questions and then the panel members will go ahead and lend their expertise, and if you have some questions, raise your hands, so that the Sergeant-at-Arms can bring you a microphone, you too can get your two cents in.

With the minimum wage changing as of January 1st of this coming year, the question that I would like to pose to the panel is do you anticipate problems even though we maintained our exemption in hiring qualified seasonal personnel, and if you do anticipate these problems, just exactly what do you plan to do about it.

Who would like to be first to speak their piece? Mr. Crandall is going to take that.

MR. CRANDALL: First of all, I experienced quite a few problems prior to the minimum wage going up in finding and hiring qualified seasonal personnel and I would say that we probably have one of the youngest age groups working at our park of any of the parks; either I'm getting older every year or they are getting younger every year. It seems like they're getting younger every year.

The Houston market is very, very competitive for the teenager; the two sixty-five minimum wage is presently below the Houston average wage for a teenager. The McDonald's and our market at this time are paying two seventy-five an hour for a seasonal, part-time person. We anticipate going up -- in fact, we are going up an average of forty cents an hour in our pay next year, and we anticipate going to three ten in the next four years, to take some pretty substantial jumps each year to stay pretty close to the minimum wage. We will not be paying minimum wage, but we'll be closer to it than we were last year, and we have devised a very complex system to try to encourage seasonal hosts and hostesses to stay at our park.

We have a plan now that we have devised this year. We have done quite a bit of research, with a weekly analysis of turnover with our seasonal personnel, to find out just exactly what is happening.

Last year we were paying two dollars an hour base pay and a twenty-five cent an hour bonus if you worked through Labor Day. And our personnel situation became so short in June that we raised pay a quarter -- we gave an extra quarter bonus for every hour you worked in the month of July and in the month of August. So our pay at that time, if you stayed through Labor Day, was two fifty. Well that helped. We hired three hundred and fifty people in two weeks with a six thousand dollar radio campaign and a lot of pressure to find new employees. We stopped our turnover a little bit, but it built right back up by the end of August, and to just kind of sum it up, we lost five hundred and fifty people in July and six hundred people in August.

The two fifty an hour, per se, that we were paying helped and the bonus helped, but it didn't help that much. I think I might add first, that I think our biggest problem in personnel is food service. Food service jobs are everywhere in the world. You can get them anywhere in town. And probably half the kids that we hired this year have previously worked in some food service outlet or something, because McDonald's, Burger King, everybody hires them. There are just thousands of jobs for them and it seems to be an undesirable job, that is one of the reasons they leave where they are going to come to work for us.

We have an incremental pay next year for food service personnel; we have a base pay starting at two thirty next year, two forty-five if you work in food service. We also have another problem with our night shift. We're open to midnight every night in the summer, Memorial Day through Labor Day, and we have quite a problem on our night shift. So, we have another fifteen cents an hour incremental pay if you work the night shift that's scheduled to midnight. So, if you're night shift, food service, you're making two sixty an hour.

We also have a bonus program that's devised to lengthen the average employee's time of employment. We open in March; starting in April they get a dime an hour bonus; in May twenty cents an hour; in June thirty cents an hour; July, forty cents an hour; August, fifty cents an hour. So a night shift, food person, in August is making three ten an hour.

Our research has showed us that as the summer wears on and the job wears on, the parents say, "You're right. Come on, let's go on vacation." So, we have devised all of our programs to work against specific problem areas we have. Number one, food service, has the highest turnover in the park, one hundred and forty-three percent this year. Number two, our night shift totally; that is an extremely high turnover. And most of that's not quitting; it's getting transferred to those day shift openings or something else, but there are a lot who quit the night shift also. And number three, it's that group that want to quit and take that vacation and go back to school; that's what that ten, twenty, thirty, forty, fifty cent an hour bonus is devised to counteract.

To answer the question shortly, yes, I anticipate the problems in the future of finding seasonal personnel and we will just do everything we can to devise systems to keep them that are economically affordable to us.

MR. PIERPAOLI: At Opryland we have always paid the minimum wage since the park has been opened. The first year this took the form of a bonus to bring it up to the minimum wage but for the last four years we have paid the minimum wage to all seasonal employees. For this next year we have discussed several options. We are considering paying returning employees the minimum wage, two sixty-five an hour, and first-year employees, two fifty an hour.

To become a second-year employee, the prerequisite is having worked a minimum of three hundred hours the previous season. We have been paying the minimum wage for the last four years now and we make plans each year to -- in our budgeting, for the minimum wage.

Nashville is sort of a small metropolitan area; the job market there is normally pretty soft and we really don't have a lot of choice on that minimum wage. We feel that next year, with the minimum wage being expanded the way it is, that there will be probably more employees seeking jobs next year, so that could help some.

MR. SPIEGEL: Our problem is one of geography, being located in Virginia; it's a right-to-work state. And young people in our area can find jobs in construction and industries and get paid considerably more money than working in our theme park.

We have found that -- say our problems parallel Bill's down in AstroWorld -- we found that while we do have the seasonal exemption, we really have to follow the minimum wage very closely. If we don't do it, we really don't have the employees to operate the park. Something that we started back in 1975 out of necessity really was a fifteen-year-old program, and at the end of the season, when we can't get the eighteen-year-olds and the seventeen-year-olds and the sixteen-year-olds, we bring in their brothers and their sisters, who are potential candidates for next season. And during the latter part of August and the post-season operation in September and October, weekends, we bring them in and give them

a little exposure to King's Dominion's training and groom them for the following season. And we have found too that's really a great age, and they're up and they're enthusiastic and they're really eager to come back the next season, so by doing that program we get sometimes two-and-a-half, three years out of those employees.

Our percentage of returning employees is probably as high as any park in the country. I'm going to defer to the Director of Operations for a minute -- Don, it's over eighty-five percent, isn't it?

MAN IN AUDIENCE: I don't know the exact percentage. I think it's over eighty five.

MR. PIERPAOLI: The last time I checked it was over eighty-five, so we really depend heavily on that returning employee, so if they don't come back, we have problems. We tried the scholarship programs; we have as many activities as any park in the country, and we are finding that the employees expect these types of activities. They just expect the dances, the parties, the shows, the Olympics, the canoe races, the art show and fifty other things -- the scholarships, we gave away -- I thought this was kind of interesting, we gave away twenty-five hundred dollar scholarships this year, which were awarded at the end of the season, and I didn't get one letter of "thank you".

I don't know what that's indicative of but it seems to me that they seem to expect them.

CHAIRMAN DERROUGH: Do you have anything special planned for recruitment or training?

MR. WOODWORTH: I think most of our problems have been covered. I just have one thing that might be of interest. We found, especially in our Gurnee Park, we weren't able to give the employees as many hours as they required. They have a little different problem there that some of them have to drive rather long distances, and we've worked out a plan for next year, what we call cross-utilizing these employees. In other words, an employee may work four hours at the main gate and then the next four hours in food service or merchandise or someplace else, because we are not able to use them eight hours in one job and we were sending many of them home and they became unhappy and that increased our turnover.

Our goal next year is to cross-utilize them and give them as many hours as practical, and we think that will help. We don't give bonuses and things like that. We have parties, and my experience has been that when they get ready to go, they're going to go, so we are going to try to make the jobs as appealing as we can.

MR. SPEIGEL: This year, we went out at the end of the season and recruited both housewives and retirees. At a very, very vulnerable period of time for us, that Labor Day week, we brought in roughly four hundred employees, and what we did is went into the clubs and associations, recreation associations, and we said that for everybody you will bring from your organization, we will pay you ten dollars to charity, or wherever you want it to go, and we employed roughly three hundred and sixty-five to four hundred in that category.

And I'll tell you, they were fantastic -- it worked out great; and we probably will utilize that program next season through the

entire year.

CHAIRMAN DERROUGH: In Kansas City, Missouri, some of the problems I think that are experienced on the Coast usually don't get to us for maybe two or three years. We anticipate a lot of problems with the minimum wage; we don't feel that we have to go to it, and as of this date we have not really decided how much we are going to raise our base. Our base last year was two dollars. What we plan to reinstitute is a program that we used in 1976. It is a merchandise bonus program, and as the kids work a predetermined number of hours, they have the opportunity to select from a catalogue items valued up to a hundred and some dollars. Every one of our staff members felt that the program didn't work in 1976 appreciably. And then after we had this mass exodus of seasonal employees around the latter part of August and through the fall, we realized that it did sort of work so we are going to reinstitute that program again and much like the other parks, go into a much expanded recreational and activities program.

Does anyone from the audience have any questions?

MR. BOB OTT: Bob Ott, Dorney Park. I was extremely intrigued on that housewife bit. Could you elaborate a little bit more on the mechanics and whatnot? That sounded great.

MR. SPEIGEL: Bob, we are very active in the local community, Richmond, Virginia, and the county that we're in, Hanover County, and we have a personnel department of about four or five people, and we sent the personnel people out into the community to drum up some of the business. We had our art and design department do posters of a guy standing there with a pistol, "We want you", and we went around through the local area and put them in grocery stores and anyplace where a lot of people were coming.

And we were also at about four hundred G.R.P.'s on radio for about four days and really blew it out and got a tremendous response. I think the placards in the grocery stores probably worked as well as anything. I wish I hadn't spent the money on radio.

MR. OTT: I think you also mentioned the ten dollar donation?

MR. SPEIGEL: Right, the ten dollar donation. When they came into personnel, they signed up as to what group or organization they were working for that they wanted the funds to go back to. We have a local school in the county, Hanover Academy, and they brought us maybe fifty mothers. They have a deficit problem at that school right now and those mothers came out and worked.

We had one lady who came out and worked for us -- a miserable old lady, I'll tell you. She just has not worked with King's Dominion for four years -- and I couldn't believe it, she came out and worked for us for that one week, and she's one of our biggest boosters now, so it built a lot of rapport in the community.

The mothers of the children found out what it was like to come out to the park and work; but the donation thing worked very well for us, and that was the key.

Yes, sir?

MR. JIM GILES: Jim Giles; have any of you tried utilizing the senior citizens' clubs? Using these people for like half shifts?

Using two employees to get through a day, versus one of the younger people?

CHAIRMAN DERROUGH: I know that we haven't. We just wanted to maintain our work force, you know, that youthful image, and so we sort of stayed away from it.

MR. SPEIGEL: We had several ladies who were seventy-two years old working in the park that had as much spirit as the fifteen-year-olds. The local newspaper found out what we were doing and came out and tried to do a negative story on what we were doing, and these ladies and these elderly people, wouldn't allow it to occur. They just thought it was great; and really, they were great. To answer the question, that was pretty senior.

MAN IN AUDIENCE: We did and we found it was tremendous, and they are more active than the young kids.

MR. TERRY HOUGHTON: Terry Houghton, Busch Gardens, Williamsburg. I have a question for Bill.

When you pay the fifty cents per hour bonus in August, does that mean anyone that comes in to work in August will get the fifty cents?

MR. CRANDALL: Yes, whatever time period you start in, you start in that bonus period. You have to work through the end of the month.

MR. HOUGHTON: Okay. Then what happens the 1st of September? They go back to the other wage?

MR. CRANDALL: We are extending that, but it goes through Labor Day; and we have a three day Labor Day weekend, and we have a fifty cent bonus on that one.

MR. HOUGHTON: When do you close the park?

MR. CRANDALL: We close in November, and at the end of Labor Day we go back to our no-bonus situation.

CHAIRMAN DERROUGH: We are going to move on to the next question now, which is concerning energy consumption. As you know, your utilities are going up, in your home and in your place of business. I wanted to pose the question to the panel here of what they're doing to kind of stem the tide in increased costs in the use of energy.

I would like Dennis to answer this first because I think that they probably, as far as my knowledge, have more sophisticated programs on energy conservation.

MR. SPEIGEL: About a year-and-a-half ago, a committee was formed, not of the department heads or directors, but out of the supervisors, the people who are out in the field and really work with the energy. The only thing I do is turn a light switch on and off and come in and go home, and that's pretty much true of the other directors. We wanted the supervisors, the people out in the field.

Let me get your attention first and say that in just this short year-and-a-half period, we have saved two hundred and eight-

teen thousand dollars on energy at King's Dominion. Our program is now being utilized throughout Taft Broadcasting Company; the Chairman of the Board really liked what we did. The first thing that I would recommend is that you take it seriously. It is a problem and you have to take it seriously in your park operation.

This committee meets once a month, and they have recommendations, they put plans into action. We have a manual this thick now (indicating), and it would take me three hours to go through it. But for example, and some of you may be doing this, we color coded all of the light switches in the park. The green come on all the time; the red they never touch; and the yellow come on at dusk. And it gave them some guidelines, just very simple things like that.

What would happen was, the seasonal employee would come in and turn on all thirty switches in the panel, so we had electricity burning that we didn't need. Or sometimes they would come in and flip one off, and there would go your ice box and you would lose three hundred gallons of ice cream. So little things like that we initiated and really followed up on and put into the plan and we have saved a tremendous amount of money at King's Dominion; it involves water, gas and electricity.

We have gaslights on our street; we probably won't now by 1980, but just things like there are three lamps on a post. During the post-season and pre-season operations, we only light one of them, but little things like that contributed two hundred and eighteen thousand dollars and we are still saving with a hell of a lot higher demand. We have added major rides and restaurants in this year-and-a-half, two year period. So, the program is working.

CHAIRMAN DERROUGH: Do any of the other panel members want to comment on that?

MR. CRANDALL: Well, we have done just similar things; we haven't got into it as nearly as heavy as Dennis, but our main thing is just to turn off lights when they're not needed and make sure that the park lighting and street lighting and all is not on during the daytime.

We did something else -- here's another tip -- when our office buildings were built four or five years ago, they had four or five tubes in a fixture and we went through them and we pulled out two tubes from every fixture. Nobody missed it, not one complaint from anybody in the park. Just little things like that.

MR. WOODWORTH: We use a program called "deliberate change", and we used it throughout the Marriott Corporation when a problem like this comes up and this was part of our deliberate change program this year. We did things like completely turning out every other light in the administration building.

We had the usual things. Unfortunately, some of our switch rooms were not readily accessible, they weren't handy to turn things on and off. I think we can still do a lot of improving; I don't know what their dollar saving has been but we do have a program and we are in the process of following up on it, trying to save all we can for the future.

CHAIRMAN DERROUGH: In the past all the park was owned by the

Kansas City Power & Light Company, and so they didn't want to do this, but we talked them into it. We bought all that equipment back from them and we went from nine meters down to one. The anticipated savings, and this was done by our consulting engineering firm, will be fifty thousand dollars.

The investment of buying the equipment back from K.C.P. & L. includes all the contract work that needs to be done to switch it over, and it will cost around two hundred thousand dollars. It's a pretty fast payout. And you might take a look at your own particular situations and see if this might be part of the solution, in addition to what the guys are talking about.

The other thing too, particularly -- I think it was Busch Gardens at Williamsburg, has gone to a power management system, utilizing a computer, and this is another form of relief if you want to look into it.

Any questions from the audience?

(NO RESPONSE.)

We'll move right ahead then. Most of the major theme parks are single price admission parks, and as our costs keep on rising, so do our admission charges. My question to the panel here is what, if anything, have you done to counteract resistance from your guests as to the one price admission?

MR. CRANDALL: Our price has gone up every year anywhere from fifty cents to a dollar, and we have eliminated a child's ticket, so we are strictly a one price park now, and our attendance has gone up five hundred thousand in the last two years. I just can't see that there has been a great resistance to the increase in price, and the increase in the pay one price.

I've heard a lot of talk about it, and it seems like everybody's worried about it and we just can't keep going up every year, you know, but the price of groceries, gas, wages, everything else seems to keep going up with it. And I don't know the answer to this question. I'm sure someday there's going to be a problem with pay one price, but we combat that with local market programs, season pass programs, grocery store tickets, sale discount tickets, sales promotions, we do a lot of things within a year where if you're really price conscious, and you're in our market, and you listen to the radio or watch T.V. or read the newspaper or go shopping at the grocery store, you're going to find a discount ticket to the park. You're going to find a place where you don't have to pay full price and all you have to do is a little planning.

I guess I basically feel that if everybody is getting as price conscious as they seem, our sales programs and promotions are going to increase, and our goal then is just to try to maintain our full price, walk-up admissions at a level that we can live with. I'm certainly concerned about increased price; I don't like to increase price, but my costs are increasing. My ticket price has gone up fifty-five cents this year and I won't realize enough out of the increase to pay my increased seasonal wages and I've got to go up on tickets; I've got to go up on several things and do a better job of getting people out there. There are various discount programs that are not full price.

I don't think there is an answer to that question. If some-

body has it, I would like to hear it.

CHAIRMAN DERROUGH: A couple of years ago on a similar panel discussion, Woody had a story that related back to when he and Mr. Disney were working together, and I think that would be pretty topical right now, if you could just kind of reflect on that.

MR. WOODWORTH: Well, if you remember it, maybe you'd better tell it, because I don't know which one -- I've told so many stories that I don't know which one you're talking about.

(LAUGHTER).

CHAIRMAN DERROUGH: I didn't think you'd ever forget this one. I think this is the one where he was concerned at the time of how much you could actually charge -- I don't remember what the price was; it was two seventy-five, or whatever the admission charge at that time was, "Where was it all going to end?" and "How much higher could it go?" And now if you look at these gate charges now at eight fifty, ninety-five, for a single day in the park, and if I remember right, the gist of the thing was, you know, as the economy and inflation rises so will the price to the park, and the income that the patron is making will rise along with it.

Am I paraphrasing right?

MR. WOODWORTH: Well, I think, if I remember what we were talking about, it was that we were walking down Main Street and we were talking about people and prices and so forth and Walt wanted to know what our present price per capita was, and I told him it was three dollars and a half, and he thought we had reached the top. He said, "My God, how can it go any higher?" And we were trying to increase the parking lot price and a few things like that. But he believed in twenty-five cent parking and ten cent merry-go-round.

And the day after he died we increased the parking lot price; while he was alive it was a quarter.

(LAUGHTER.)

CHAIRMAN DERROUGH: Dennis, do you have a comment?

MR. SPEIGEL: At King's Dominion we have felt some price resistance. We're at eight fifty and we have raised our price fifty cents every year. We don't do it because we want to; we do it because we have to.

Our situation, again, is the same as Bill's, when we raise it, out of that fifty cents if we realize three cents of that, we're lucky, honestly. What concerns me, you look at coffee, what happened with coffee; they pushed the price on coffee and pushed the price and pushed the price, and finally the consumer said, "That's it; we're going to start drinking tea, we are going to start drinking Tab, we are going to start drinking water" while the prices were so high. Then the coffee market came back down, the price of coffee came down, and the consumer didn't come back to it. He said, "That's it, you've stuck me as much as you're going to" -- and they lost a lot of business in coffee

I don't have the answer; I don't think any of us do, but I just wonder if there is some day when you reach that barrier and go beyond it, do they say, "That's it; now we're going to do some-

thing else."

I think if you look at the movie industry -- what was it? Somebody told me the other day that twenty years ago, the movies had twenty-five percent of the disposable income, entertainment income; now they get like five percent or three percent, and it's very low. They have gone awfully high on their prices, so I think it could happen to us -- that panel you were on a couple of years ago, Woody, Gary Wachs made the comment that -- he was talking with the Six Flags guys at the time, after Texas opened, and the gate was like two-and-a-half or three dollars, and he thought, "Oh, my God, if we ever go past five dollars, nobody's going to come." We are approaching ten dollars very quickly.

MR. WOODWORTH: I don't know how you have guts enough to charge the same price for kids five years old as you do for adults. And I know you get away with it, but I just have never been able to recommend it.

We have a dollar difference in our price. I just think people expect it. I'm surprised that you don't get more complaints.

MR. SPEIGEL: I guess we are the same in all three of our parks now, we have the straight across; we're one price on all of our parks and I really think we initiated that when we came into the business at King's Island, and we went back and forth and back and forth and discussed it, and we said, "Well, we'll try it one price; if we want to deviate we can always go back, but we can't go the other way. We can't open with a two-price ticket and then go to a one-price ticket."

But in the last several years, I think the Flags have all gone to the one-price ticket; I think Busch Gardens, at least in Williamsburg has gone to a one-price ticket."

MR. PEIRPAOLI: I think Opryland has been fortunate as far as admission prices are concerned. We started out, I think, the year the park opened about fifty cents less on the admission price of the going rate at that time in amusement parks, and we have been able to maintain that difference so far, and we really have not experienced any price resistance at the main gate.

We experienced a lot of resistance last year on our food prices in the park, but then that's all subsided this year. I think everyone probably experienced those increases in food prices last year. And then we also maintain the differential between the adult's and child's price. At one time we had about a two dollar difference, but we closed that gap now, and next year we'll probably close it up to fifty cents, but I don't think it will go any farther than that.

Opryland is not a children's park; we are so show-oriented that we just don't feel we can justify charging the same for children as we do adults.

CHARIMAN DERROUGH: We have a question from the audience.

DALE PRITCHARD: Not a question, but a comment.

CHAIRMAN DERROUGH: Would you please give your name?

MR. PRITCHARD: I'm Dale Pritchard from Portland. We have not a

complete pay-one price, but when we do have it we have a children's price, now if the adults want to pay that, that's fine.

CHAIRMAN DERROUGH: Is the children's price higher than the adults?

MR. PRITCHARD: We have just one price. And then they say, "What is the children's price?" -- this is it, if you adults wish to pay it, yes.

(LAUGHTER.)

CHAIRMAN DERROUGH: We may be considering that next year at Worlds of Fun. I think we have another question from the back of the room.

While the microphone is going over there, I would just like to say that I still firmly believe this, that the parks are still the greatest entertainment value at what we're charging and what we anticipate charging, in America today.

JACK BALFORD: I'm Jack Balford, Storytown. I would like to know what the cutoff age is. Do you charge the same price for a three-year-old as you charge for adults, or is it five years old? What is that child cutoff age?

MR. SPEIGEL: We charge for three-year-olds.

MR. BALFORD: Three-year-olds and up pay, is that correct?

MR. SPEIGEL: Right. We have quite a few kiddie rides too; we have one whole area of our park that's really devoted to children. There is really value there.

MR. WOODWORTH: I don't know how you can sleep well at night charging eight dollars for a three-year-old kid.

MR. CRANDALL: We at Six Flags are under three free; if you're three or over, you pay.

MR. BALFORD: When you changed over from the dual admission to the single admission, did you get any resistance from your patrons?

MR. CRANDALL: No; what was shocking to me -- this year we changed over and built a new children's world that opened in July, and we went to the one price in March and we had three complaints all year.

MR. SHEIGEL: He slept very well, Woody.

MR. WOODWORTH: I don't see why -- you put out all these fancy signs that you've got to be this tall to ride and you have got to be this to ride and this to ride, and then you charge them the same price. Of course, on the others you say "You've got to be shorter than this" -- but I still don't think you get the value. Maybe I'm old fashioned.

MR. CRANDALL: I think there's more for the kids to do out there than there is for the adults.

MR. WOODWORTH: We try to have an adult park and not a kiddie park, so we just have that as a convenience for them. I think it would be very difficult to operate if we had to depend entirely on kids,

two years old.

(LAUGHTER.)

CHAIRMAN DERROUGH: I think we will go on to the next question.

MR. SPEIGEL: I agree with you, Truman, it would be awfully hard to have a two-year-old park.

MR. WOODWORTH: They don't have big enough pockets.

MR. SPEIGEL: They also duck under the turnstiles.

MR. WOODWORTH: I wondered why you had such low counters in your game area.

(LAUGHTER.)

MR. SPEIGEL: Woody is really going to be upset when he finds out what we are thinking about charging pregnant women.

(LAUGHTER.)

MR. CRANDALL: I'll say another thing too, where you're talking about this three and four-year-old, where you pay, where do you start charging somebody? Is it two? Is it five? Is it seven? If you ever take a survey at your front gate, you'll find out that the ones that get in free, the top age that get in free, there are about four times as many of those as there are the next age up. So we really are not charging every three-year-old. We're just charging --

CHAIRMAN DERROUGH: The ones you catch, right?

JOE ARDIS: Joe Ardis (sic) from Opryland. I was just wondering if any of the major theme parks that were adding a controllable large attraction, had given any thought to -- in spite of the pay-one price, to also include a separate attraction in the park that you pay another price for? For example, the lion country safari idea?

CHAIRMAN DERROUGH: Worlds of Fun is not, I know that.

MR. CRANDALL: We have considered it at various times, and possibly other types of attractions, such as lion country safari but we have never considered it for just a major attraction. We are putting in a loop next year, and hope to be able to pick up some change.

(LAUGHTER.)

CHAIRMAN DERROUGH: Let Woody answer that. Are you going to do that? Put a separate charge on anything you're putting in?

MR. WOODWORTH: Not if I can help it. To my knowledge, we're not anticipating doing that.

MR. SPEIGEL: Would you like a little activity up here again?

CHAIRMAN DERROUGH: Yes; give the opposite side there.

MR. SPEIGEL: When we put the charge on lion country safari -- we

did it at first at King's Dominion, and then came back two years later and did it at King's Island. We did it for one reason; we had to pay for the ride. We didn't do it because we wanted to again -- we had to pay out that investment. That total investment was roughly seven or eight million dollars.

I will tell you this, and it's true, we did not get a lot of heat but -- because we had that attraction -- it's a twenty-minute ride, for three miles, and it's very entertaining and educational, and we didn't get a lot of static on it. This is a personal opinion, but I think as our business becomes more sophisticated, the wants and needs and desires of our business, I think we'll cycle some time. I think we'll probably get back to more of the ticket-type attractions and paying at the big ten, eleven-million-dollar attractions.

In our case, I don't know how in the world we can afford it, really, because you're pushing that gate again and where is the resistance? So you maybe give them the alternative when they come to the park. If they can do ninety-five percent or see ninety-five percent of the attractions in the park, really, that's enough to satisfy their appetite when they come out. Maybe they don't do that one attraction that costs a dollar or a dollar-and-a-half.

I think we'll see a lot of that. I remember when it was a nickel a ticket, we thought that was the greatest system in the world. And then pay-one-price came in. We experimented with that, and now that's the greatest system in the world, but I think it keeps turning over.

MR. WOODWORTH: Didn't you charge for the monorail originally?

MR. SPEIGEL: They did charge, the first year that it opened, seventy-five cents, to ride out to the parking lot. It didn't go anywhere.

MR. WOODWORTH: How did that work out?

MR. SPEIGEL: Mel was there. What did it do?

MR. BILBO: Very little; nowhere near the capacity -- it was really a big complaint factor. We had a number of complaints that first year when we had that charge, because they felt that once they got on it and spent seventy-five cents, they had received nothing. But again, there was nothing to do, it was just a ride.

MR. SPEIGEL: They actually went out through the parking lot, didn't they?

MR. BILBO: Right; most of it was outside the park.

Woody probably forgot, I did too, but next year during July and August we will be charging separately for one of our dinner shows. So, there will be an extra charge inside the park.

CHAIRMAN DERROUGH: We'll go on to the next topic. It seems to me that there has been a trend recently and particularly with the major parks, to lean more towards show-type attractions rather than rides, and my question to the panel is, is this brought about by the demands of the guests or is it brought about by the lack of affordable, new, ride-type attractions?

So, does anybody want to speak to that one or am I completely off the beam on it?

MR. PIERPAOLI: Lee, I'll try that one, being that we're a show park. Of course, we started out with that intention of being a show park at Opryland, and having that balance has always been a major concern. Of course, the first few years we were awfully short on rides, and over the last three years, I guess, we have added two major rides, but our thrust is in live shows, so when we see that we need something new in the park, of course, it's very obvious to us which direction to take. By the same token, we still have to keep some sort of balance there between the rides and shows.

I think you have to look at a lot of different areas in expansion in your park. I know that rides, shows, the theatres and the activity playground for the children -- those are some of the areas that we have considered. But it is very critical, the proper balance and mixture between the shows and the rides.

MR. CRANDALL: Well, I have a philosophy that the way that we run a theme park, there should be about twenty-five percent capacity -- what you have in total capacity should be about twenty-five percent in shows. Everybody needs a place to rest once in a while and enjoy something for thirty minutes instead of two-and-a-half.

We have really gone heavy into shows since taking over Astro-World basically for that reason. When we took the park over, we had one show theatre and one children's show. At the children's show there were zero seats -- it was a stand-up theatre; at the other show there were two hundred and twenty-five seats, so the park had an hourly capacity of three hundred and twenty-five people an hour who could see a show out of about twenty-five thousand capacity. So, we have put in two theatres and a fireworks show at night, a diving show, a ski show, and really concentrated heavy on getting our show capacity up to about a six thousand per hour show capacity at this time.

CHAIRMAN DERROUGH: Bill, tell them why the skiers have to wear football helmets.

MR. CRANDALL: They only have to wear the helmets on the jumps. They have to wear those helmets because our lagoon that we do our ski show in is only forty-one inches deep.

(LAUGHTER.)

CHAIRMAN DERROUGH: It seems strange when you see those skiers going around with those football helmets on. It's an unusual attraction.

MR. CRANDALL: Well, they had a couple of falls prior to opening, so they said that was best.

But another thing that we feel about shows -- it's a very marketable thing, it's new, it's something you can change from year to year, and it's not like trying to change a ride out, or change a flat ride out, or put a flat ride in and theme it one year and try to re-theme it and readvertise it and remarket it. You can change shows, and we change our shows every year, put a different show in our theatre. And we have what we call a "Playbill Review" -- every year, just as soon as we start our magic to

midnight summer promotions. We bring in all the writers and everybody and preview all of our new shows; we can advertise new shows every year. So, there is two-fold as to why we have gone to more shows; one is to have a place to draw people out of the street, out of the lines, sit down and rest for a few minutes. Secondly, for an advertising vehicle.

MR. WOODWORTH: I think one of the best ideas, and it goes back a little bit to cross-utilization, is to have a dual-purpose ride, such as a dodgem -- it's a dodgem in the daytime and at nighttime it's a discotheque. Some of the fellows have really done a job with this, not only in sound but in lighting, and it makes a whole new attraction at night, and it attracts a different group usually. And some people are fortunate enough to have the dodgem in an area that really lends itself to this, so that's something that you might think about, and it can give you a whole new attraction to advertise.

MR. DERROUGH: Dennis, you advertised your shows heavily last year. Do you want to speak a little on that?

MR. SPEIGEL: I come back to the consumerism point of view. I think that in our parks our visitors have been to a minimum of three other parks and they expect it when they come here. They shop now. Theme parks aren't like they were ten years ago; there weren't that many.

We have Busch Gardens sixty miles from us, and Carowinds is right down the road and Hersheypark is right up the road and these people get out and travel. The people certainly want to see the shows when they come to our park, and we have roughly thirty-six, thirty-seven rides and about twenty shows. so there is a balance there certainly.

Again, I think we force each other.

CHAIRMAN DERROUGH: In our particular instance, I think we like the shows for the same reason that I think that Bill does. It offers us a place for the older folks to rest a little and it also gives us something new to sell each year. It's a heck of a good marketing tool.

Does anyone have any questions?

(NO RESPONSE.)

The next topic I would like to pose is insurance. We read almost every day about product liability insurance going up and malpractice insurance and so on and so forth.

I was curious as to what some of the panel members have been able to do to stem the tide of those rising costs.

MR. PIERPAOLI: Lee, we're owned by an insurance company, so they are continually in the market place for the best coverage in rates and insurance, but from our standpoint in operating the park, the best thing I think we can do is have an excellent safety program to reduce the amount of guest injuries in the park, which will obviously lower insurance rates.

We have a very extensive safety program in the park; it's really paid off. That's my opinion. That's about the only thing

we can do.

CHAIRMAN DERROUGH: Everybody sits quiet on this one. This is always a good topic, everybody jumps right into that.

We had a problem about a year ago where we had an unfortunate accident and a chain reaction on our insurance costs, and the only thing we really could do is go back out into the market place and get bids and try to get the insurance at the cheapest possible price. We're like everyone else, we are extremely safety conscious and were even before the accident.

We feel too, that the best way to control the cost is to bring our injuries down, and this is both for liability and workmen's comp and that is what we're trying to do and we're concentrating very heavily on it.

MR. CRANDALL: Lee, we stress safety and have a safety manager and safety committee and everything, but we have hired a consultant that also consults and works with the insurance companies, to come through and evaluate our program and our park and give us and our insurance company updates on actually physically showing them that we are striving and we are watching and we are managing safety. And if nothing else, it gives the insurance company a very good feeling that we really are safety conscious and we really are going through the procedures and steps and programs to reduce accidents, and to follow-up immediately and quickly.

I really can't say if that's made our rate go down or anything but it's given us a much better rapport with our insurance company.

CHARIMAN DERROUGH: Bill, is that service above what the insurance company offers you or do you have an insurance program whereby that service isn't part of the insurance package?

MR. CRANDALL: That's over and above the insurance program.

CHAIRMAN DERROUGH: Does anyone have any questions about insurance? You can obviously tell that we are all experts on it.

MR. WOODWORTH: Lee, I might add to that a little bit that unfortunately rates are not based on what you do, they have a certain bearing on it, but rates are based on an industry-wide loss ratio and that's unfortunate. You can go the whole season without an accident and you're still paying a terrific rate.

At Marriott we've gone self-insured wherever we can, with workmen's comp and liability both. We are a large corporation and we can do that. When you do that, I think you become more safety conscious because the dollars are coming directly out of your pocket. We do have a service that handles this for us on a percentage basis.

I think a safety program is a must for everybody and I think everybody is becoming more safety conscious; we certainly are. I think our goal for next year is to cut our loss ratio by fifty percent. That's a big goal, but that's what we're shooting for.

CHAIRMAN DERROUGH: I would just like to conclude this by saying, these are big parks here, and some of the smaller operators can probably do a couple things that we had to do, that is to make

your agents really work for you, to get out there and hustle and get the bids that they can get and to study the type of coverage that you have and study the limits that you have and make sure that you're not maybe over-insured.

Like Woody says, there may be areas where you can self insure and assume the risk if it's not too great, and save yourself some dollars.

MR. WOODWORTH: It's not a program for everybody, but one of the things that I found through the years that some of the smaller parks have done, they usually have an uncle or a relative of some kind who's in the insurance business and he writes them up and the owner doesn't really know -- he doesn't know the insurance business, number one, and he really doesn't know what he's insured for, number two. So, he really doesn't know if he's getting a bargain or not, and that's unfortunate. It's a very complicated business and a lot of people don't take the time to find out what they're really insured for and how much.

Unfortunately, again, they sometimes find out when they have certain things happen, that they're not covered.

CHAIRMAN DERROUGH: Do we have a question in the back of the room?

MR. BOB HOWARD: Yes, please; Bob Howard, Libertyland, Memphis, Tennessee. The name of the consultant, sir?

MR. CRANDALL: I would have to go through our corporate office's insurance department; it's Frank B. Hall Agency, he's our broker. Our insurance company is Firemen's Fund.

MR. HOWARD: Thank you. The second question, I have heard that numerous percentages and cents on the front gate for each individual coming in, that they are attributing to insurance. I have heard of them as high as fifty cents per person, and I have heard of them as low as seven cents per person.

Dennis, the rest of the panel, do you have anything that you could put on that that you could say this is attributed to insurance, to insure that person?

CHAIRMAN DERROUGH: I don't want to say ours because I'm embarrassed, but many times I think our rates are structured on a per-patron cost and it will vary as much as you're talking about, from my investigations. Again, I think this is going to dictate -- and you guys chime in here, on what type of coverage you've got; it's really going to determine the cost factor on it.

What I'm driving at, it's very difficult to compare if it costs him twenty-five cents a head and somebody over here says it cost him five cents a head, we won't know if you're comparing the same thing. Am I phrasing that right? So it's difficult to do it that way. You have to take a look at the total picture, you have to see the limits of liability and so forth and how the insurance is layered and all this other Mickey Mouse. Excuse me, Walt.

MR. CRANDALL: What does he want to know?

CHAIRMAN DERROUGH: I think he want to know how much we're paying per head for insurance. Is that right?

MR. HOWARD: Lay it on the line.

CHAIRMAN DERROUGH: I'll lay ours on the line; it's around twenty-one cents.

MR. CRANDALL: I can tell you, at AstroWorld we have a different program than we had when we took the park over and at that time it was eleven cents a head and we're five-and-a-half cents a head now. We are more self insured though than prior.

MR. PIERPAOLI: And I don't have the figures for our park, Bob.

MR. WOODWORTH: A lot of it depends on what deductible you have. Some of these rates that you hear that are very low, they have a hundred thousand dollar deductible.

CHAIRMAN DERROUGH: Ours, for example, is a thousand dollars an occurrence.

MR. SPEIGEL: They pulled all of ours back into Taft last year and it's very low. I really honestly don't know what the rate is right now but it's less than seven cents and a little more than four.

CHAIRMAN DERROUGH: It's a heck of a lot better than ours.

MR. CRANDALL: It's lower than mine.

MR. HOWARD: Mine is eight.

MR. CRANDALL: Yours is eight?

CHAIRMAN DERROUGH: That's pretty good.

MR. CRANDALL: That's a good price.

MR. SPEIGEL: I don't know ours but I know it does fall in that range.

MR. CRANDALL: It also has something to do with how many parks you are insuring.

CHAIRMAN DERROUGH: Does anyone else have any question on insurance?

(NO RESPONSE.)

Well, we certainly got into the safety aspect a little bit and we will move a little further into it.

Has anyone in this past year experienced any one, particular safety problem that you feel ought to be brought to the attention of anyone here? And I'm talking about safety and security-type problems, handling of extortion attempts, those fun little things that happen to you during the operating season?

Dennis, have you got one?

MR. SPEIGEL: We really didn't have any major problems this year. We are planning for problems like power outages and that would be the major one. We bought portable units that could be moved into the park. We have adopted such programs as a vehicle program; we have certain vehicles identified that in the event of a power out-

age would be moved to certain spots in the park, headlights would be turned on so that we could evacuate the park, but we really didn't have any and I hope we don't have any problems.

MR. CRANDALL: Excuse me. Dennis, it seems to me like I recall you did have some kind of problem like trying to catch some guy in the park with a bomb.

(LAUGHTER.)

MR. SPEIGEL: I think we were vindicated at the rollercoaster seminar. You missed that.

MR. CRANDALL: I thought you handled that situation very well.

MR. SP GEL: Thank you.

MR. PIERPAOLI: Lee, I would like to mention something about safety problems, or maybe even ask if someone has some solutions, but we had two near bad accidents this year involving handicapped children. We have a charity program, where we allow certain groups to come in the park free. We also tried to designate the number of chaperones because it's a handicapped group. But on two different occasions this year, mentally handicapped children decided they didn't want to take the ride once the got on it. One little girl jumped out of the car on the coaster and got out on the catwalk, and luckily enough one of our maintenance fellows saw her and climbed onto the catwalk and got her off. The next car around would have gotten her.

And the same thing with a boy on the swing ride; he decided to jump off before the ride was completed. So, we have taken another look at our program and we're not going to allow any of the charity groups in free this year. We are going to charge some minimal charge for them and also demand, if it's a handicapped group, that they have one chaperone or sponsor for each handicapped person.

I was wondering if anyone in the room has a way of handling situations like that because it was pretty touchy for us this year and we could have had some pretty disasterous situations there.

MR. WOODWORTH: Bill, why don't you tell them how you do it at Six Flags? I think that's the best program I've ever heard.

MR. CRANDALL: Since you know it, Truman, maybe you ought to tell them.

MR. WOODWORTH: You were there, maybe you can tell them. I'm talking about that program where the football players bring the kids in and it was a one-on-one basis.

MR. CRANDALL: That was a one-on-one special promotion. I think what we're addressing here is every day, whether they're free or whether they're --

MR. WOODWORTH: No; he's talking about letting them in free on a special day. I think that's what we're talking about.

MR. CRANDALL: Well, if I remember the program correctly, what you're talking about is we promoted a special program -- special handicap day, and the football team and supporters and all came out with the kids. It made it a very special day all the way

around for the kids. It wasn't just a trip to the park; it was being with the football team, football players, and they went around with them on the rides. Is that the program you're talking about?

MR. WOODOWRTH: Yes, they took them on every ride. The Enterprise is an example; you were taking kids on there that were completely handicapped, you know, couldn't ambulate at all, and they would carry them on and hold them and the kids had a ball, and I think this is the type of a program that you could expand on and if you set this up as a criteria, if you want to bring handicapped kids, this is the way you do it. And you get the football group or whatever it is.

This was, if I remember right, the Georgia State football players. I thought it was an excellent program. I watched them and I think it's something that everybody can use.

MR. DON PALMER: I'm Don Palmer from King's Dominion. We have a similar program that Bill was speaking about, but we do it year-round. We have a group such as this, our group sales people will inform us about it, we will treat them as VIP's in our park. We will make sure they have a chaperone with them, if not we put a ride operator with them. We treat them really better than anyone that ever comes in the park.

MR. SPEIGEL: We let them ride several times too; if they want to ride two or three times, we let them do that.

MR. PALMER: That is correct. Say on the flume ride we'll put them on and we'll let them ride maybe two or three times. We haven't had any serious incidents with them. Pete told me about this this morning and I appreciate you bringing it up.

CHAIRMAN DERROUGH: Does anyone else want to lend some comments on that?

MR. ROBERT CROSTON: Robert Croston from Salem, New Hampshire. We have started to get an influx of Spanish-speaking people up in our area, which is unusual for New England. And we had a near accident with young children that don't speak English,

How do you people handle the language problem?

MR. CRANDALL: Let me speak to that. We probably have more Spanish-speaking people than anybody. We have encountered that problem. We have tried to go with some international signs on some things, and we do have Spanish-speaking ticket sellers and takers to be able to tell the people what the place is and what it's about and what it's like inside. But we have not gone to any particular Spanish signs on our rides. We just don't have any way of doing it. We have not only Spanish-speaking, we have a lot of people walking around the park speaking foreign languages because Houston, I guess, is an international city.

We haven't to this day had any problems with them.

MR. SPEIGEL: Lee, being located as close to D.C. which we are, which is an international melting pot, we try to keep -- and this is hard to do, one or two girls in our guests' relations office who are multi-lingual. We are not always successful; personnel is aware of our needs there and we have that on a priority basis

to help our problems.

MR. WOODWORTH: I'd like to ask Rick Faber, our vice president of our park operations in Santa Clara, about the problems. We have a lot of Spanish-speaking people there. Didn't we go to international signs on our car rides? And what else?

MR. RICK FABER: We have a few international signs, Woody, but haven't gone into it in too great detail. We, again, have a great deal of Spanish-speaking people but we have not encountered any severe problems, and have not felt it necessary to go to bi-lingual signs. Like Bill, we have multi-lingual people at the front gate and in certain areas.

We also have a list of a number of people who have language capabilities, even sign language abilities, and we know where these people are and where we can get them in a few minutes time. This summer, in fact it occurred several times, we had some lost children that only could communicate with sign language, and we were able to communicate with the ride host or hostess within about five minutes and bring them to the site and handle the situation but the problem hasn't been sever.

MR. WOODWORTH: By the time they get that far north they can speak English, but we do have a problem sometimes with the ones that just get off the plane from Japan, it being their first stop and they just don't understand how those cars work. And again, the Oriental languages are hard -- if I understand it right, the characters are hard to put in signs that they can all read. We really haven't had a problem, but it could be a problem.

MR. CRANDALL: I have one recommendation. I had a major accident on my rollercoaster this year that evolved from a season pass holder who had ridden the ride over a hundred times. We are trying hard to make sure and positive that every time we cut a commercial or take a picture, with any kind of publicity on any one of our rides, that everyone in that picture is riding that ride properly.

We have signs on the rides that say, "Hold on to your lap bars. Remain seated", and we will not publish a picture or a rendering or do any commercial T.V. advertising that suggests that you should not ride that ride as we suggest when you get there.

So, if you have any signs on your rides, say, "Keep your hands and arms in. Hold on to the lap board. Remain seated" -- I would suggest that they help you very much in your publicity situation, if you do have a problem, that you can revert back and say, "Do not do this". We even had newspaper and T.V. stations showing our billboards on T.V. showing that we did not have anybody with their hands up in the air riding that rollercoaster.

So I would just make that suggestion to you, that it's very, very helpful to you from a legal standpoint and from a publishing/media standpoint if you do have an accident, if you are following your own recommendations.

CHAIRMAN DERROUGH: That's a heck of a good point.

Do we have any other questions?

(NO RESPONSE.)

The next topic I would like to talk about would be merchandise. Merchandising philosophies, to me, even though I have only been in the park business five years, seem to have changed a little bit with some of the parks maturing. Is this just my imagination, or has there been a trend recently, particularly in the merchandising area, to go to a gift-type of item rather than a souvenir item. Is that what's selling now?

MR. SPEIGEL: I think in our parks, particularly King's Island and King's Dominion, the markets are just totally opposite. King's Island has a heavy core market, an A market, and not a lot of transient traffic and it's just the opposite at King's Dominion; it's a small core market and a lot of transient.

We found at King's Island that if a patron comes back year after year after year, he doesn't want that salt and pepper shaker with the grapes on it and the Eifel Tower. But at King's Dominion those items still continue to move because different people are coming through every year. So, I think it depends on the park and the kind of market that you're situated in. That would be my comment, Lee.

MR. PIERPAOLI: Lee, I think it always has been critical to increase the variety of merchandise in the park to complement the theming of the park. We have been in a program in the last two or three years in trying to upgrade some of our gift items in the park and have found that intermingling the gift items with souvenir items makes the souvenir items more attractive psychologically. Also, with adding these different and more and more expensive gift items we have really seen very little resistance in that price category.

CHAIRMAN DERROUGH: Woody had to run off and put on his tuxedo for this evening's festivities, so Rick Faber is going to sit in for him. He's a guest panelist. This is an exciting show, isn't it?

MR. CRANDALL: Lee, I have to agree with both comments that were made. A particular park that your attendance is coming from that tells you what merchandise to sell, I think, unless it's a glow necklace.

MR. FABER: Lee, we're still a young park in both locations so we are still doing a lot of business in the souvenir items, but we do a very balanced mix in our parks; we have a lot of gift shops, we have a lot of craft shops, we have a lot of merchandise, and surprisingly enough it goes very well.

In Santa Clara, for example, we are the largest dealer in Hummel figures in Northern California and we do a very big business in it, but it's a pretty balanced market.

CHAIRMAN DERROUGH: Does anyone have any questions from the audience?

(NO RESPONSE.)

There was another question that we had talked about and that was, did anybody find any unusual items this year, either merchandise or food, that were really high sellers like Bill mentioned, the glow necklace, which is not brand new but it pretty much came on the scene a year ago?

MR. FABER: The visors did very well this year; we are also doing very well in the character merchandise, that is one of our strongest areas.

MR. CRANDALL: I can give an example of one that is dying for us, and I don't know if it is for you, but jewelry is 'way out, it's going down for us every year. We are doing less and less business in jewelry. We really haven't found any new items, but I would like to ask if anybody has had any experience right now with any Elvis stuff? Everywhere you look you see it; I'm just wondering if anybody's tried it, and if anybody has any results to date, because I know all of our merchandise guys are looking at it, should they and how much should they stock for next year.

CHAIRMAN DERROUGH: We had some experience with some Elvis merchandise, which was not planned this way, but when he died, it just so happens that there was an Elvis poster in a selection of posters that we bought and they went out of there like hot cakes. That was our only experience so far. I don't think that Jim Smith, our Director of Merchandise, is going to go ahead and buy heavily in Elvis. It's sort of a dead issue, so to speak.

MR. SPEIGEL: Food items in our parks, all three of them, put in the fresh lemonade. You take the paper cup and cut the lemon and squeeze it right in the cup and add a tablespoon, or whatever it is, of sugar, ice and shake it and hand it to them -- we were projecting to do about two cents per cap on that item. I think we did six cents and it was very popular in all three parks. It was very, very good for us.

MR. PIERPAOLI: Lee, I might mention one food item. Opryland purchased a very sophisticated pizza oven this past year, very expensive also, but we can offer a choice of toppings for pizza and from the time you ordered it to the time you picked it up, it took two-and-a-half minutes. It proved to be very successful. It's a very expensive oven though.

CHAIRMAN DERROUGH: Julio, who makes that oven?

MR. PIERPAOLI: I don't know.

CHAIRMAN DERROUGH: NASA.

(LAUGHTER.)

It's a spinoff of the space program. We sold glow necklaces and sippers and everything else, and one item that was new this year, in fact, I think we picked it up at the convention last year, was the monster drinks. It sold very well. I think they are about a quart. They're chokers is what they are. I don't know who in the heck can drink the whole thing, but they moved very well for us.

MR. RALPH KANNARD: As ridiculous as it may sound -- I'm Ralph Kannard, Marriott's Great America -- we served French fried ice cream; it does very well. It's a scoop of ice cream that has a heavy breading over it. You deep fat fry it and it's hot on the outside and cold on the inside.

CHAIRMAN DERROUGH: What did you charge for that?

MR. KANNARD: I forgot now.

MR. FABER: That was in Gurnee; I don't think we did that in Santa Clara.

MR. KANNARD: Fifty cents? Anyhow, it went real well and we plan to continue it next year.

MR. PIERPAOLI: That machine must have cost as much as the pizza oven.

(LAUGHTER.)

MR. KANNARD: No; it's a pre-frozen item and all you need is a deep fat frier. And we also put cinnamon apples on it. But once it got going -- we put it in the Farmer's Market -- and people would look over and read the sign and go try it again. So it's really a good item and I think you're going to see it really move out. If you're interested, get hold of us so we can tell you where it comes from.

CHAIRMAN DERROUGH: I have a question. Did anybody do a good job of moving the frozen yogurt? Everybody put it in this year, I think. We weren't exactly knocked over by the stuff.

MR. SPEIGEL: We sold a lot of it but the food cost was so high; that's really what killed us. We really weren't doing anything profit-wise on it.

CHAIRMAN DERROUGH: People, I still think, have an aversion to the name "yogurt", frozen or not.

Well, since we're almost at the end here, which I noticed, we'll wake you up a little bit here, we've got some very controversial stuff coming up.

I'd like to talk a little bit about shoplifting right now; something near and dear to all of our hearts. I would like to know how the panel feels about the allowable percentage of shrinkage that they think is tolerable for their particular merchandise operation, and if they have found any particular measures that they have been able to institute that helps them control shoplifting in their parks.

MR. PIERPAOLI: I'll try it, Lee. We wound up this year with about a two-and-a-half percent shrinkage of our merchandise.

CHAIRMAN DERROUGH: Julio, is that at cost or retail?

MR. PIERPAOLI: Cost.

CHAIRMAN DERROUGH: That's good.

MR. PIERPAOLI: Which we still feel is pretty high. We did institute a couple of programs, one last year and one this year, that were very effective. We had a very high rate of shoplifting at the beginning of our 1976 season. Of course, we had heard that it was kind of a universal problem, so we took drastic action and hired fifteen extra-seasonal rangers just to patrol this area, in uniform, and we saw an immediate curtailment of shoplifting. We also eliminated some high shoplifting items such as sunglasses; we completely quit selling sunglasses. We put in dummy cameras that were visible in some of these high shoplifting areas that were immediately visible as you walked in the door.

We did reduce the rangers on this shoplifting detail to five this past year; we rotate them daily as they are watching different shops. We did start a program with the metro police department this year where we are allowed to issue citations to juveniles, anyone sixteen years old or younger. The word got out very fast to this group that we had the authority to issue citations, if we had to haul someone into the security office and issue one of these citations, their parents had to contact the metro police department within seventy-two hours of receiving that citation or the metro police department called on them at home. We found that was a very effective deterrent to shoplifting this year because it's -- I guess shoplifting has no age barriers, but we found that that age group, say twelve to sixteen years has been the bulk of our shoplifting problems in the park.

But this citation certainly was effective for us this year.

MR. SPEIGEL: Just really relating that to what Julio said, we caught them at that age and we caught somebody that was seventy-six. Who knows what fell in between. I don't think there is any acceptable percentage. The merchandise guys have a great way of manipulating that figure, I think, so you really never know what it is. They mark it down, mark it out, write it off. If there are any merchandise people in here --

MR. FABER: Lee, I have to agree with Dennis. I don't think there's any acceptable level. You try to minimize it as best you can.

We did similar things this year that Julio did; we developed a theft prevention team of security officers who would roam the park, particularly the major merchandise locations where we had the high degree of vulnerability and particularly during the hours where there was heavy traffic through the merchandise units and therefore distracting the hosts and hostesses.

But the final numbers, we haven't taken our physical inventory. We're trying to get the reputation of not putting up with that kind of thing if we find it and we would like the community to know that and we think we are getting that feel in the community.

MR. SPEIGEL: I would echo that. In 1975 we were very lax in how we handled our shoplifting problem and it grew worse as the season developed and we met and we said, "Now we're going to take a tough line on it; we've got to burn them." And we've got a mean, old judge in the county we're located in -- they started getting thirty days and forty days and forty-five days and rather large fines. And that word -- you can't advertise that kind of thing in the paper -- you don't want those kinds of stories anyway -- but that word spread back through the groups in the problem areas, the schools where these children were coming from, the locales, and it's greatly improved, just because we took a hard-line, burn-them approach.

MR. CRANDALL: We have the problem too, but we haven't done nearly as much as this group here, so I don't think I can add to that.

CHAIRMAN DERROUGH: Does anyone want to comment from the audience? It's a problem that's universal. Obviously, nobody has the solution.

I don't know what allowable percentages are either. We have

been able to hold ours to about 2.9 at cost this year and we were happy that it was that low and we pretty much have taken the same tack as everyone else is, that we throw the book at them when we catch them and try to get that word of mouth going that we're not softies and we have not, because of the cost involved, run into that extensive of a shoplifting, patrol-type program, but I think it's something that we are going to have to look at.

We went into a season ticket program last year and got a tremendous amount of repeat business from it at that vulnerable age where the kids might fool around with shoplifting items. We'll probably get a rise this year as they learn the park better and know what's available to steal and they will be stealing it more.

This is one we kind of touched on a little earlier, but maybe we can go into it a little deeper now. Since the single-price admission has gone up so dramatically, do you see a departure from the single price to maybe a different type of admission policy? One that is developing in the years to come?

Den, you kind of got off on that.

MR. SPEIGEL: I think in our parks as we put in more sophisticated types of attractions, we'll maintain that gate and possibly be charging for the attractions that kind of demand that additional cost. It doesn't shock people; it doesn't shock them with a dollar-and-a-half on our monorail.

CHAIRMAN DERROUGH: Rick, how do you feel about that?

MR. FABER: We're kicking it around but there are no intentions in the immediate future to change from the one-price policy. My personal feeling is it's not beyond the realm of possibility; I see it coming in a few years if our cost situation does not improve and I don't think it will.

MR. CRANDALL: Right now, I can't see that it will ever happen. If you went back to the ticket situation right now, number one, you've got to add somebody on every ride to take the ticket. Number two, some of the what I would say "dog rides" or "dead rides" that I've had in my park for a long time, they are only ridden because they're there -- those rides wouldn't do any business.

The people that have been riding them and have ridden them five hundred times, wouldn't pay to ride them. And I can put a major ride in and go up on my ticket, justifiably, very easy. But at the same time, if it was pay by the ride, I might put that major ride in and I might have to charge five times what I'd charge at the main gate just to ride that one ride and that would run that ride cost up over a dollar, dollar-and-a-half, just for that one ride.

I think you'd see a lot of people come out, ride that one ride, and not nearly as many of the others, and decrease your in-park stay and decrease the amount of money they are going to spend in the other locations. And I just see longevity in the pay-one price.

MR. FABER: There may be a middle ground in all this. Dennis and I were kind of talking over here on the side -- you probably would not be charging for everything. You may not want to charge for all of your live shows and your live entertainment. There may be

a certain degree of entertainment level that you want to provide and they can add at their option, additional items. They could shop for the additional items. There are a number of ways to go on it.

MR. PIERPAOLI: We've talked about and considered additional price on certain attractions, more like a show, and we haven't decided to do it yet, but we're looking at other areas first. We've never tried a two-day ticket. We're going to attempt that this year and see if that is going to help the situation some. And down the road we possibly would consider an additional charge for a new attraction. As I say, at this point we really don't know.

MR. SPEIGEL: Julio, we went to a two-day ticket at King's Dominion, and all it did was dilute the front gate per capita, just pulled it out of one category and shuffled it down to the other. For what that's worth -- we may do away with it next year, the two-day ticket.

CHAIRMAN DERROUGH: Do we have any comments from the audience on pricing policies?

MAN IN AUDIENCE: We've got our price up to eight fifty and then we go around adn we run all these discounts. Now, it seems to me if we'd hold our price on our front gate, maybe these discounts would go away.

Maybe the promotions have to be there anyway. I know Bill is big on discounts right now, or seems to be.

CHAIRMAN DERROUGH: You can tell this guy is an operations man.

MAN IN AUDIENCE: I've got a good group there to answer it.

CHAIRMAN DERROUGH: I'm an old marketing guy; I have a philosophy about the discounts and what's right or wrong; I know Bill does too. You raise your price, you bring it down a little bit with the discounts, but I think particularly with the type of people that we go after, a blue collar worker, a guy who is pretty conscious about how he spends his money, he's looking for a special deal and I think that we're able to get a family or an individual one or two times more by offering that special deal, whereby we might only get them one time.

And I think that's where the real advantage is.

MR. SPEIGEL: I think too, you're going after a special segment and if you could control -- if the park can control the discount, they'll work to a great advantage. It's when they get out of hand and you can't control it, -- certain times of the year, when schools go back in, you need something to help you a little bit and I think they're great then. But when you have to come in and prostitute your ticket during the season, that's bad.

CHAIRMAN DERROUGH: I think you've got to be careful. It's like being a dope addict so to speak; you can't do too many of them and you shouldn't do them too long. You have to get in and out of those promotions quickly. And they are a great tool for attracting people in the time periods where they might normally not come, particularly where you have marginal weather on the front end and the back end of the season.

Bill, do you want to talk about it?

MR. CRANDALL: Yes. I definitely agree that there should be discounts. I agree that at times there should be substantial discounts, at other times there should be minimal discounts. I could talk for an hour on my philosophy on how to discount. We discount periods when we want people, when we have the capacity to handle more people, when we want to improve our business. We analyze each program to see if it paid out, if we did more business, did we come out on the bottom line better. We just don't discount for discount's sake, we do it for a particular reason, to increase our bottom line is the final go. And if a discount program doesn't work we discontinue. If it does work, we want it to work the best it can because it just improves the business just that much more.

There are times when you may run a discount today and it may increase your business tomorrow, and you can analyze that and if it helps on the bottom line, that is what this business is all about and let's get them in here.

CHAIRMAN DERROUGH: Bill does a sizeable amount of discounting, and we do, but that doesn't mean that it's right for everybody. You have to take each particular situation and determine whether it's a necessity or not, and only you can determine that because you know how much you want to get out of your facility, or what's demanded from it, and you just have to make that judgment there.

Julio can speak to their pricing policy, but I don't think that Opryland does anywhere near as much as maybe the other parks up here.

MR. PIERPAOLI: Every park does what it has to do -- you know, some things work for some parks and don't for others. We do not discount -- in fact, we've cut back on our discounting in the area of group sales.

We used to give a twenty percent discount, as high as that, on a certain-sized group, two thousand or three thousand or over; we reduced that to ten percent. That is the maximum discount that we'll give at the main gate. We did run a promotion or two this past year but in selected areas and for a short period of time.

We feel that until it's absolutely necessary, it's imperative to protect the integrity of that main gate admission price. If we're going to charge eight dollars, it's an eight dollar park. But that is not to say that whenever the situation calls for it we will run discounts and promotions but again we've been fortunate in that area to date.

CHAIRMAN DERROUGH: In answer to your question, it takes a lot of guts not to do it if you have these demands placed upon you to reach a certain level of attendance and how much net income you've got to have, and it's a tool that is tough not to use if the pressure is on.

I don't think anybody wants to do it. If we could sell these parks at full boat we'd be doing it, but to get where we want to go, you've got to price it off every now and then.

MR. CRANDALL: If you have a full-price philosophy, it doesn't take long to change to promotional-discount philosophy if you're under projection.

CHAIRMAN DERROUGH: That's right.

We have one other little topic that I would like to bring up and then we'll end the meeting.

With the proliferation of the theme park industry now in the United States, with nearly every major, metropolitan area being taken up with a park, what direction do you see the industry going? Will the bigger parks get bigger or will you see smaller, regional -- I wouldn't necessarily call them "regional", but smaller-type parks in smaller metro areas springing up? Which way do you think it's going?

MR. SPEIGEL: I don't really see a great deal of room for any more larger parks. I think it's hard for a company to build a new theme park now; it's hard to get the net return out of it, that net return. It's tougher each year.

We built King's Island -- we spent forty million dollars on it. We built King's Dominion, we spent sixty million dollars on it and had three-quarters of the park. We are looking at a park in Toronto; we'll spend eighty-five million on it and we are getting half the park as King's Island.

I don't know if there is any room left, Lee. As I said yesterday, everybody's B market is somebody's A market. The circles are so overlapping now that it's really tough. I use the example of Washington, D. C. A friend of mine was up there and he saw King's Dominion's commercial, the Busch Garden's commercial, the Great Adventure commercial, the Hersheypark commercial and somebody else. I can't think who the fifth one was but there were five. I don't know if there is room for any more big parks really.

And I'm sitting next to Rick who is talking about building one in D.C. -- I would be interested in that philosophy.

MR. FABER: We're closer in.

(LAUGHTER.)

CHAIRMAN DERROUGH: Location, location, location -- right?

MR. FABER: It's very competitive, and Dennis is right, it's all in the R.O.I., and if it's not going to pay out, there's no reason to build the seventy-five to a hundred million dollar parks that we're faced with. To put in the kind of attractions that our market is used to, you have to spend that kind of money and it's getting very, very difficult.

So, you have to study your markets right and you have to be sure you know what's right for your market, and you have to have a good study, some good information, and without that you are taking a tremendous risk.

CHAIRMAN DERROUGH: You don't see any major parks, but do you think there will be a return to a smaller-type park? Or maybe like -- Dennis was talking about Toronto -- international expansion. Is that the direction that it's probably headed in? Or do you think the business will stay static now?

MR. SPEIGEL: Crandall's going to buy everybody up like he's doing now, with somebody that doesn't operate so well. I think you'll really see some of that.

MR. CRANDALL: Have you been feeling pressure over there?

(LAUGHTER.)

I think I'm kind of bullish on it. I think this market has still got some room to grow. I think there's room for some large parks and I definitely know there's room and feel like there's a lot of room for smaller parks. And when I say "smaller parks", I just mean a littler park.

I think you'll see the park designs change. The theme park will come back to the old days' fun park; there will be less gingerbread and more activity. If you look at a budget right now -- what did you spend on your Main Street? To build Main Street in your park?

MR. SPEIGEL: International Street?

MR. CRANDALL: International Street? A million dollar fountain?

MR. SPEIGEL: Seventy million dollars perhaps.

MR. CRANDALL: I think you'll see the expensive gingerbread items disappear and the hardware will still be there, the shows will still be there, but I don't think you'll see the park that Walt Disney started and that we all are following along with, the theme parks. I don't think you'll see that because it's eighty-five million, a hundred million dollars to build it, and you get half the physical park.

I think you'll see parks, semi-theme parks you might call them, come on the scene. I think you'll still see smaller parks. I think there is still expansion everywhere except the State of Texas, for theme parks.

I think industry is going to grow. I think as more people get more time off, more recreation time, more dollars in their pocket to spend, that market is there, that market is growing, it's keyed to find the right spot and spend the right amount of investment for that spot and you'll get a return. I think you'll get a good return on your money. But I think it's going to have to be a lot more carefully analyzed than we did several years back, or have in the past few years.

CHAIRMAN DERROUGH: Julio?

MR. PIERPAOLI: It's probably a two-pronged question I suppose, and a lot of it has to do with personal opinion. I think you can apply the same theory as you do to any other business venture, it is a matter of supply and demand.

With the costs soaring so much yearly, it's becoming more and more difficult to justify great expenses for new rides, or even expansion of your park for any situation.

I think once you can determine what your market area is all of us are going to kind of just reach a level and level off in our business. And I know we're expecting to take a look at some of our marginal facilities in the park -- we are renovating, for instance, just a ho-hum ride in the park -- what's it called? The Disc Jockey Drunken Barrel Ride. We're going to spend a few dollars changing the look of that ride. It's probably the least attended ride in the park. We are going to cover it, we are going to add strobe lighting and psychedelic lighting -- it's in our

contemporary area anyway, and spend a few thousand dollars making a completely new ride out of that one rather than look for another hundred and fifty to two hundred thousand dollar flat ride.

I think it makes sense, rather than expanding and keep making the park larger and leaving these ho-hum situations. I don't know what our market areas has totalled. We've been open six years now but we have had a steady growth pattern of two to six percent a year and I don't think that we can really get much better than that in any year and if we can continue growing at that rate, why that will pretty well dictate and determine what we'll do at our park.

CHAIRMAN DERROUGH: Does anyone have any questions or want to comment from the audience?

(NO RESPONSE.)

I would also like to thank the Sergeant-at-Arms for going all around with these microphones.

MR. DEAN MAXWELL: My name is Dean Maxwell from the Maxwell Water Shows. My question is, do you gentlemen foresee in the future in the major amusement parks and even in the secondary parks an increase in live entertainment as featured in many of your parks now, in either large entertainment or smaller parks?

CHAIRMAN DERROUGH: You mean, do you see us doing more entertainment rather than ride-type attractions?

MR. MAXWELL: Yes.

CHAIRMAN DERROUGH: We kind of covered that earlier. It's pretty much the mix you want. Everybody up here had their own philosophy about it. I think all of us feel it's an integral part of the package that we're selling. Whether there will be a dominance of it in the future will remain to be seen, but we are all into it pretty heavy and we are not going to rely totally upon it, I don't think, in the future.

MR. FABER: The attractive thing about it however is that sometimes it doesn't require a great investment. Bill, I think you brought in a lot of shows this year and I don't think you probably added too much to your total investment factor. It's changeable and there are certain attractive elements to it. But, you've got to be careful of the mix.

MR. CRANDALL: I guess I spent about twenty-five thousand dollars to develop an arena where I do three different shows. I think, to answer that question, a lot of that is going to depend on the price of your show. We presently have a show in the park.

CHAIRMAN DERROUGH: Any other questions.

(NO RESPONSE.)

Well, again, thank you very much for your kind attention and have a nice convention.

...Part II of the workshop was concluded at 5:30 p.m. ...

1977 IAAPA ANNUAL BANQUET

SUNDAY, NOVEMBER 20, 1977

MAIN BALLROOM

Edward J. Carroll, Jr., Presiding Officer, called the banquet to order, and the invocation was given.

After dinner, President Charles R. Wood delivered his Presidential Address. He introduced his retiring 1977 Executive Committee members, distinguished guests and foreign dignitaries. The new Board of Directors and Past Presidents were asked to stand and be recognized.

President Wood then turned the meeting over to Thomas Spackman, chairman of the Service Awards Committee, who made the following presentations:

SERVICE AWARDS

N. S. ALEXANDER AWARD:

For the finest program appearance on a subject dealing with Amusement Parks or Piers:

J. C. Evans, Gold Medal Products Co., Cincinnati, OH

ANDREW S. MCSWIGAN AWARD:

For the most outstanding service to the industry for the year:

Stanley R. Nelson, Joyland Amusement Co., Wichita, KS

DON DAZEY AWARD:

For the finest program appearance on the most outstanding promotion in the industry for the year:

Dave Palmer, Kings Island, Kings Mills, OH

PAUL HUEDEPOHL AWARD:

For the most outstanding service to the Outdoor Attraction segment of the industry for the year:

Amusement Business Magazine, Walter Heeney, Publisher, Nashville, TN

President Wood introduced the 1977 officers: President-Elect Edward J. Carroll, Jr.; 1st Vice President, Robert K. Bell, Sr.; 2nd Vice President, Truman Woodworth; 3rd Vice President, J. Clark Robinson; Treasurer, Charles R. Wood; Executive Vice President, Robert H. Blundred.

President-Elect Edward J. Carroll, Jr. presented President Charles R. Wood with his Past President's Award.

This concluded the business portion of the banquet and the entertainment followed.

EXHIBIT AWARDS

FRED W. PEARCE (SWEEPSTAKES) AWARD:

Most meritorious device, equipment or supply exhibit displayed:

Award Winner: British Amusement Catering Trades Association, London, England

Honorable Mention: Creative Presentations Schaumburg, IL

Honorable Mention: Ehlers, Evans & Associates Culver City, CA

EDWARD L. SCHOTT AWARD:

Most meritorious exhibit of equipment, supplies or services:

Award Winner: Fantasy Fair, Inc.
Glendale, CA

Honorable Mention: Eric McMillan, Inc.
Toronto, Canada

Honorable Mention: Hortie-Van Mfg. Co.
Pasadena, CA

ROBERT & STEVE PLARR AWARD:

Most meritorious exhibit of drink and food items:

Award Winner: First Packaging
Houston, TX

Honorable Mention: Welch Foods, Inc.
Westfield, NY

Honorable Mention: NIECO Div. of NPI Corporation
Burlingame, CA

BEN SCHIFF AWARD:

Most meritorious new kiddie/junior device exhibited:

Award Winner: Pleasure & Leisure Inflatables, Ltd.
Thurmaston, Leicester, England

Honorable Mention: Skyhigh Amusement of Canada Limited
Quebec, Canada

LEONARD THOMPSON AWARD:

Most meritorious exhibit of arcade and coin operated amusement devices:

Award Winner: Skee-Ball, Inc.
(Philadelphia Toboggan Co.)
Lansdale, PA

Honorable mention: Atari, Inc.
Sunnyvale, CA

Honorable mention: Bacchus Games, Inc.
Dallas, TX

BRADY MCSWIGAN AWARD:

Most meritorious exhibit of merchandise, souvenirs and novelties:

Award Winner: Ken Dor Enterprises, Inc.
N. Wildwood, NJ

Honorable Mention: Sunbell Corporation
Albuquerque, NM

Honorable Mention: Design Gifts International, Inc.
Corona, CA

D. S. HUMPHREY AWARD:

Most meritorious new Major/Adult Device exhibited:

Award Winner: Wisdom Mfg., Inc.
Sterling, CO

Honorable Mention: Omnivision, Inc. - Cinema 180
Sarasota, FL

Honorable Mention: Leisure & Recreation Concepts, Inc.
Dallas, TX

HENRY A. GUENTHER AWARD:

Most meritorious exhibit dealing in games:

Award Winner: Ramtek Corporation
Sunnyvale, CA

Honorable Mention: Wamstar Limited
Garforth, England

Honorable Mention: Bob's Space Racers
Holly Hills, FL

GUY B. HUNT AWARD:

Most meritorious exhibit of revenue and admission control:

Award Winner: Abbott Coin Counter Co., Inc.
Stamford, CT

Honorable Mention: Pacer Corporation
Seattle, WA

Honorable Mention: Brandt, Inc.
Watertown, WI

JOHN ALLEN AWARD:

Most meritorious exhibit, or equipment or conceptual presentations including new and imaginative programs in the fields of insurance, safety, advertising, promotion and public relations:

Award Winner: TOURIST ATTRACTIONS & PARKS
Fair Lawn, NJ

Honorable Mention: T & T Enterprises
West Covina, CA

Honorable Mention: Polaroid Corporation
Cambridge, MA



